

162.572
A UNITED STATES
DEPARTMENT OF
COMMERCE
PUBLICATION



PROGRAM EVALUATION

The Economic Development Administration Growth Center Strategy

U.S.
DEPARTMENT
OF
COMMERCE
Economic
Development
Administration



PROGRAM EVALUATION:
THE ECONOMIC DEVELOPMENT ADMINISTRATION
GROWTH CENTER STRATEGY

FEBRUARY 1972

U.S. DEPARTMENT OF COMMERCE
Economic Development Administration
GROWTH CENTER EVALUATION TASK FORCE

PREFACE AND ACKNOWLEDGEMENTS

In December 1970, Robert A. Podesta, Assistant Secretary of Commerce for Economic Development, enjoined a task force to:

- . evaluate the Economic Development Administration's experience with its growth center strategy; and
- . provide recommendations for improving the strategy's effectiveness.

This report is the result of that effort.

Three teams of analysts spent five months studying a group of 12 cities which EDA had designated as growth centers; these cities also had completed EDA projects. The study focused on the impact of Agency expenditures and the strategy the Agency has employed to insure spillover from the growth centers to surrounding areas. It required visits to project sites, interviews with community leaders and analysis of data collected through employer and employee questionnaires. The Agency's present strategies were found to be ineffective with little benefit from expenditures spilling over to surrounding distressed counties. Growth Center projects were also found to have no more total impact than those placed directly in distressed (re-development) areas.

In addition, a National Assessment of data provided by the Census Bureau and the Office of Business Economics enabled the task force to derive a list of cities which can be categorized as having potential for future population and employment growth. All of these cities are either in or economically linked to EDA districts. From this list, a group of "action centers" was selected.

The task force addressed the question of strategy improvement by designing guidelines for a revised growth center policy. Programs to implement the revised strategy are presented in an appendix to this report. It should be pointed out that this report reflects the views of the Growth Center Evaluation Task Force and not the official posture of the Agency.

The task force was composed of two groups, one with broad Agency representation which conducted the Case Studies (CS), and another with a strict analytic orientation which conducted the National Assessment (NA).

HIGHLIGHTS

A. OBJECTIVES AND METHOD

The growth center study consists of two basic parts:

- (1) an in-depth assessment of EDA activity in 12 designated growth centers; and
- (2) an assessment of the growth potential of 1,440 (45%) of the nation's counties which are located in areas of the country experiencing overall development problems according to the criteria established in the Economic Development Act (PL 89-136 as amended by PL 92-65).

The in-depth assessment includes a comparative evaluation of the short-term impact of EDA projects in economic development centers (EDC's) with projects in redevelopment areas (RA's) in the same states (but in most cases not from the same districts). Because Agency policy statements on the growth center strategy [MEDO 1-28 (revised)] stress the job impact to be derived from EDC projects, the primary impact measure used is "EDA investment (in dollars) per job created (or saved)." Special weight is given to jobs created for the unemployed or underemployed who resided in the RA's (the primary geographic target areas of EDA) at the time the individual projects were evaluated.

Although there is a limited analysis of the quality and attitudes of the economic development district leadership and the operations of the district as a subregional unit in the individual case studies, no attempt has been made to compare EDA's growth center strategy with alternative institutional mechanisms for organizing clusters of contiguous RA's. In short, the in-depth assessment is largely a series of case studies discussing EDA project impact, effectiveness of Positive Action Programs, district organizations' implementation of the growth center strategy, and community attitudes and activities.

The second major part of the study - the National Assessment of the growth potential of selected counties - was conducted concurrent with but independent of the in-depth assessment. The National Assessment is an attempt to judge the economic development potential of counties located in chronically depressed areas of the United States on the basis of objective criteria pertaining to observed historical population and employment growth rates and economic base. No site visits were made to these areas (unless they were visited coincidentally as part of the in-depth assessment). Hence, there was no attempt to judge either special physical resource and economic considerations or intangible factors (e.g., attitudes, presence of entrepreneurial skills) which might influence the development potential of these counties and EDA's role there.

B. PRACTICAL LIMITATIONS

Two major study limitations follow from the study objectives and design described above.

- (1) The study is a short-term impact study with only limited treatment given to the complexities of benefit-cost analysis, particularly the complete accounting of social benefits and costs and the time horizon over which they occur.
- (2) Because of resource limitations, the data on the RA projects that were compared with the EDC projects were taken from reports submitted by two independent contractors approximately six to nine months prior to the undertaking of the present study. Thus, some problems of comparability arise from possible differences in interviewing methods, the characteristics of interviewers, and the dates during which job impact was measured. In particular, since the present study assessed projects during early 1971 at the height of a mild recessionary period and during a time of rapid inflation, the RA job impact and cost measures taken from earlier studies may not be directly comparable.

Since one objective of this study is to compare the impact of EDC projects with similar ones in RA's, the construction of a matched set of RA projects from past studies was required. This requirement was not attained with complete success because of the geographic incompatibilities of the EDC project and RA project data bases. First, only nine states are included in the sample; second, the total number of projects sampled varies significantly from state to state; and third, the mix of projects by type (public works and business loan) and by geographic subregion (EDC and RA) varies widely from state to state. Hence, differences in "EDA average investment per job" could be biased by the particular mix of projects sampled and not be completely representative of EDA activity throughout the nation to date.

C. SUMMARY OF FINDINGS

The findings of this study are based primarily on analyses of 12 economic development centers. These centers are representative of all EDA-designated economic development centers in terms of economic viability, population, relationship to surrounding distressed areas, and geographic location. However, because of the extremely limited sample in a few specific areas (e.g., environmental projects), some of the findings are necessarily preliminary. Except where otherwise stated, the following findings and conclusions do not hold for growth centers located within distressed counties (redevelopment centers).

1. In-Depth Analysis

- . EDA's experience in funding projects in economic development centers has not yet proven that the growth center strategy outlined in the Agency's legislation and clarified in EDA policy statements is workable. The Agency's approach to assisting distressed areas through projects in growth centers has resulted in minimal employment and service benefits to residents of depressed counties.
- . In the evaluated centers, growth center projects have resulted in no more job impact than similar projects placed directly in economically depressed counties (redevelopment areas). Distressed area projects of the same type, age, and from the same states were compared with EDA growth center projects. The results of this comparison are presented in the table on the following page.
- . The "EDA average investment per direct job" for projects in distressed counties (redevelopment areas) was \$6,275; for growth center projects of the same type, it was \$6,908. Including expected future job impact lowers the investment per job for both categories, but does not significantly alter the difference between the two. There is no statistically significant difference between these two figures.
- . A further breakdown of the "EDA average investment per direct job" between public works and business loan projects yields the following results:

	<u>Redevelopment Area</u>	<u>EDC</u>
Public Works	\$2,740	\$6,310
Business Loans	\$8,905	\$7,486

It is clear that the major source of variation in these figures is derived from the relatively low figure for public works projects placed in redevelopment areas (\$2,740 per job).

- . Unemployed and underemployed persons received 31% of the jobs generated through EDA growth center projects, as compared with 28% of the jobs created through projects in redevelopment areas. This difference does not appear to be significant.
- . Only 14% of the jobs resulting from growth center projects were filled by present or former residents of redevelopment areas. This compares with 87% for projects located directly in distressed areas.

COMPARISON OF PUBLIC WORKS AND
BUSINESS LOAN PROJECTS IN RA'S AND GROWTH CENTERS

CATEGORIES OF ANALYSIS	GROWTH CENTER PROJECTS (26 PROJECTS)*	RA PROJECTS (30 PROJECTS)
Average Project Cost	\$1,360,000	\$768,000
Average EDA Participation	\$722,000	\$495,000
Average EDA-Attributed Jobs Per Project	109	79
Average EDA Investment Per Job	\$6,908	\$6,275
Percent EDA-Attributed Jobs to RA Residents	14%	87%
Average EDA Investment Per RA Job	\$50,000	\$8,164
Percent EDA-Attributed Jobs to Unemployed and Underemployed Persons	31%	28%
Average Annual Salary Generated	\$5,900	\$5,300

*Does not include two "environmental" projects

- . 99% of the 850 employees surveyed at EDA-associated firms in growth centers would have remained in the area if their present jobs had not been available. Thus by this measure, at least, EDA growth center projects are not stemming out-migration from surrounding distressed counties or the region (district).
- . Positive Action Programs as presently administered have not been an effective means of insuring that residents of nearby distressed areas benefit from the employment opportunities and public services in growth centers. No observable benefits have accrued to residents of such areas as a result of EDA's requirement that growth centers prepare these documents. In a few cases, residents of growth centers have, however, benefited from PAP's.
- . District staffs, while usually effective as grantsmen, planners, and agents of change, have not taken steps to insure that residents of redevelopment areas benefit significantly from EDA growth center projects. Bowling Green was a notable exception.

2. National Assessment

Most of the statistical assessment of growth centers is based on county rather than city data. County data was used because the county is the basis for most available data on population and socioeconomic conditions. Further, most city-based data reflects the results of annexation, a political rather than economic phenomenon. Not only is it difficult to ascertain the effects of annexation, but deflation techniques are subject to interpretive error.

Several findings of significance to EDA policy resulted from the assessment of the 1,440 counties located in and around EDA's economic development districts.

- . With only one exception, the Agency's designation procedures have selected the best growth centers (both economic development centers and redevelopment centers) available within the 103 districts designated as of December 31, 1970. However, a substantial number of districts (42%) contain no cities with growth potential.
- . According to the criteria of the national assessment, the majority of the counties in which EDA growth centers (both economic development centers and redevelopment centers) are located appear to offer limited or no potential for future population or employment growth. 60% were categorized as having limited or no growth potential on the basis of the evaluation: 48% of all economic development centers and 81% of all redevelopment centers.
- . Because of EDA's concentration in areas with such limited potential, it is not surprising to find that:
 - 42% of the counties in which EDA growth centers are located declined in absolute population during both decades.

- 75% of all EDA growth center counties experienced net out-migration during the 1950-60 decade: 70% of economic development centers and 84% of redevelopment centers.
- The net out-migration trend increased during the 1960-70 decade, when 84% experienced net out-migration: 77% of economic development centers and 97% of redevelopment centers.
- 37% of all EDA growth center counties had net out-migration rates exceeding those of their districts during the decade 1960-70: 30% of economic development centers and 48% of redevelopment centers.

TABLE OF CONTENTS

<u>SECTION</u>		<u>PAGE</u>
I	BACKGROUND	1
	A. INTRODUCTION	1
	B. HISTORY OF EDA'S GROWTH CENTER STRATEGY.	1
	C. IMPLEMENTATION OF EDA'S GROWTH CENTER STRATEGY.	5
	D. RATIONALE FOR EVALUATING EDA'S GROWTH CENTER STRATEGY	8
	E. EVALUATION APPROACH.	10
	F. EVALUATION RESULTS	12
II	FINDINGS OF THE IN-DEPTH ANALYSIS OF SELECTED ECONOMIC DEVELOPMENT CENTERS	13
	A. INTRODUCTION	13
	B. COLLECTIVE FINDINGS.	13
	C. SUMMARIES OF INDIVIDUAL GROWTH CENTER EVALUATIONS.	28
III	FINDINGS OF THE NATIONAL ASSESSMENT.	89
	A. INTRODUCTION	89
	B. DETAILED FINDINGS.	92
IV	SUPPORTING ANALYSES.	155
	PART ONE - POPULATION AND MIGRATION STUDY. . . .	155
	PART TWO - CONTIGUOUS COUNTY EMPLOYMENT PROFILE.	167
V	OVERALL FINDINGS	173
	A. SUMMARY.	173
	B. IN-DEPTH ANALYSIS OF SELECTED ECONOMIC DEVELOPMENT CENTERS.	174
	C. NATIONAL ASSESSMENT	178

APPENDIXPAGE

A	EVALUATION APPROACH: IN-DEPTH ASSESSMENT OF SELECTED GROWTH CENTERS.	A.1
B	EVALUATION APPROACH: NATIONAL ASSESSMENT OF GROWTH CENTERS	B.1
C	DETAILED FINDINGS OF NATIONAL ASSESSMENT.	C.1
D	EDA'S MEDO'S ON THE ECONOMIC DEVELOPMENT CENTER STRATEGY	D.1
E	COMPARATIVE DATA BASE	E.1
F	EMPLOYER AND EMPLOYEE QUESTIONNAIRES.	F.1
G	ABSOLUTE MIGRATION BY REGION, DISTRICT, EDC COUNTIES, RC COUNTIES, AND NON-EDC, NON-RC COUNTIES FOR 1960-1970.	G.1

I. BACKGROUND

A. INTRODUCTION

The Economic Development Administration (EDA) was created in 1965 to provide federal assistance to the nation's distressed areas and regions in their efforts to achieve economic viability. As envisioned by Congress and the Administration, the primary thrust of the EDA program was to eliminate substantial and persistent unemployment and underemployment in these areas through the creation of new employment opportunities. To achieve this goal, the Agency was provided with a number of program tools. These include public works grants and loans, business development loans, working capital loan guarantees, technical assistance grants, planning grants, and research funds.

When the Agency was created in 1965, technical assistance could be provided to any area exhibiting substantial need for such assistance. The other tools could be used only in areas suffering from substantial unemployment, persistent unemployment, low median family income, population losses, and sudden rises in unemployment. The tools could also be applied on those Indian reservations manifesting the greatest degree of economic distress and in the area that most nearly qualified in those states in which no areas met the preceding criteria.

In addition, the Agency was given authority to provide assistance to areas designated as growth centers, and to award planning grants to organizations devoted to economic development planning. Since 1965, the enabling legislation has been amended to allow EDA to assist places designated as OEO Special Impact Areas. These Special Impact Areas are located in the economically distressed portions of the nation's major cities.

B. HISTORY OF EDA'S GROWTH CENTER STRATEGY

1. ARA Experience

Under the Economic Development Administration's predecessor, the Area Redevelopment Administration, only areas with substantial and persistent unemployment or low median family income were eligible for program benefits. Moreover, with the exception of a few experimental cases, the Area Redevelopment Administration (ARA) program was administered on a single-county basis. The agency's enabling legislation contained no provisions to encourage counties to cooperate in an effort to solve common problems.

The single-county approach employed by ARA drew criticism from economists and planners in other agencies. These individuals also questioned the efficiency of assisting residents of distressed areas by spending money in those areas. As an alternative to such an approach, they recommended funding projects in more prosperous places whose growth would benefit residents of depressed areas. Proponents of this "growth center" strategy argued that industry would be more interested in such sites and that it would be less expensive to create jobs in communities with developed infrastructures.

After a 1963 trip to Carbondale, Illinois, on a tour of areas aided by ARA, the agency's Advisory Committee joined the supporters of the growth center strategy. Carbondale had just been taken off the agency's list of designated areas at the time of the Committee's visit, and its leaders presented an impressive case to the Committee as an argument against its de-designation. Their claim was that ARA should continue to fund projects in Carbondale because it was a growth center serving nine counties, a number of which were designated redevelopment areas.

The obvious validity of this position and the community leaders' persuasiveness in presenting it made a lasting impression on the Advisory Committee. As a result of their experience in Carbondale, members of this group began to advocate revising the ARA legislation to include the growth center concept.

The concept did not stimulate the same degree of enthusiasm within the agency. A number of ARA officials accepted the strategy in principle, but viewed it as politically undesirable and impractical. These individuals argued that employing the strategy would result in competitive fighting among cities and resentment on the part of residents of rural areas whose project applications were rejected in favor of growth center projects.

Despite such skepticism about the feasibility of implementing the growth center concept through a program such as ARA's, agency policy makers could not ignore the growing interest in such a strategy nor its potential value to future development efforts. As a result, studies were funded through ARA's research program to define districts and growth centers in several states. A study was also funded to identify European experience with the growth center concept and to determine how that concept could best be applied through a program such as ARA's. In addition, in-house studies were conducted to structure a program that combined the growth center strategy with a regional approach to area redevelopment. (The results of these efforts proved useful to Congressmen, state governors, and EDA officials involved in structuring and implementing the Agency's District Program.)

2. Legislative Background

By fiscal year 1965, when efforts to draft new legislation for assisting economically distressed areas were initiated, both Congress and the Administration favored including some form of the growth center strategy. On March 25, 1965, the President submitted a message to Congress on area and regional economic development. In this message, he stated that the program proposed by the Administration to replace ARA was primarily based on the experience of the accelerated public works program, ARA, and the Appalachian Regional Development Commission.

A major portion of the President's message was devoted to explaining the organizational format of the new program. In addition to working through redevelopment areas, the proposed program was to be organized on the basis of economic development districts, regional action planning commissions, and economic development centers.

The President identified economic development centers as "places where resources can be most swiftly and effectively used to create more jobs and higher income for the people of the surrounding area." ^{1/} In discussing these places, he indicated that they need not be distressed themselves to receive designation as a center. The rationale he gave for designating such places was that development succeeds more frequently when activities are located in a single community large enough to offer the advantages that flow from size itself. He also said that clusters of industry tend to attract other industry, and that such clusters offer the prospect of improving the economic conditions of the entire area.

During the Congressional hearings that followed submission of the Administration's proposal, another rationale was given for implementing the growth center strategy. One of the goals of the new program was to stem migration from the nation's depressed areas. Proponents of the growth center strategy asserted that funding projects in designated centers would help to achieve this goal. Their position was based on the assumption that accelerating and increasing the growth and prosperity of such centers would encourage residents of nearby depressed areas to seek work in the growth center instead of migrating to other areas.

^{1/} Lyndon B. Johnson, "Presidential Message on Area and Regional Economic Development," March 25, 1965.

The growth center strategy proposed by the Administration for inclusion in the area and regional economic development legislation was accepted by Congress, and became law with the August 1965 signing of the Public Works and Economic Development Act. This Act, which resulted in the creation of EDA, linked the growth center concept to another new approach to economic development, the Economic Development District Program. Reflecting the belief that certain areas could not mount effective attacks on unemployment and low income on their own, this program encourages counties to pool talents and resources to achieve common aims. This is accomplished through the formation of multi-county economic development districts.

The Public Works and Economic Development Act of 1965 stipulates that each economic development district is to contain two or more redevelopment areas and to be of sufficient size or population and have sufficient resources to foster economic development on a multi-county basis. In addition, the legislation states that each district must have one or more growth centers of sufficient size and potential to foster the economic growth activities necessary to alleviate the distress of the redevelopment areas within the district. These places can be located in redevelopment areas or in non-designated counties.

In empowering the Secretary of Commerce to designate such places as economic development centers, the legislation lists three specific criteria for center selection.

- . First, the center must be identified and included in an approved district overall economic development program (OEDP) and recommended for such designation by the state or states affected.
- . Secondly, each center is to be geographically and economically so related to the district that its economic growth may reasonably be expected to contribute significantly to the alleviation of distress in the redevelopment areas of the district.
- . The third criterion is that no center can have a population in excess of 250,000.

Once designated, centers are eligible for EDA assistance if proposed projects meet three basic criteria. The project must further the objectives of the district OEDP, and either enhance the economic growth potential of the district or result in long-term employment opportunities commensurate with the amount of federal financial assistance requested. In addition, the level of federal assistance requested must be reasonably related to the size, population, and economic needs of the district.

The EDA legislation authorizes an annual appropriation of up to \$50 million for funding such projects. This amount also covers a 10-percent bonus on grants to redevelopment areas participating in district programs.

C. IMPLEMENTATION OF EDA'S GROWTH CENTER STRATEGY

1. Policy Decisions

a. Organizing the District Program

The EDA legislation stipulated that these financial provisions be withheld for a period of one year after the Agency began operations, during which time planning for implementation of the District Program could be accomplished. However, the need to obligate a year's appropriation in less than nine months obscured other considerations during most of the 1966 fiscal year, and no action was taken on the District Program until February 1966. At that time, the Assistant Secretary of Commerce for Economic Development invited state governors to submit recommendations on economic development district boundaries. In addition, he appointed a task force to develop and recommend an approach for implementing the District Program. This task force spent several months discussing such subjects as regional commission administration of the program and gubernatorial authority, but reached no concrete decisions.

The 1967 fiscal year with its funds for growth centers was less than a month away when EDA's administrator delegated authority for organizing the program to an individual designated as his Special Assistant. The situation confronting the new program director and his staff necessitated prompt action. Not only was the establishment of organization guidelines essential, but preliminary recognition of districts and economic development centers also required immediate attention.

Responses to the Assistant Secretary's request for district boundary proposals had provided more potential districts than could conceivably be funded during the 1967 fiscal year. In determining which districts to assist, EDA officials considered the percentage of district population living in redevelopment areas; per capita income in the district; percentage of families with annual incomes under \$3,000; trading area and transportation patterns; and existence of a well-located economic development center.

By September of 1966, 67 districts had been authorized for establishment, and a number of these newly formed entities had been designated as recipients of EDA-funded planning grants.

The staffs funded by these grants worked with local residents to prepare OEDPs for submission to District Program officials in Washington. Included in these OEDPs were proposals for the designation of growth centers.

The first growth center was designated in December of 1966 with the acceptance of an OEDP for the Coastal Bend Economic Development District in south Texas. By the end of fiscal year 1967, 22 such centers had been designated, and a number had succeeded in obtaining approval for EDA projects.

b. Issuance of Policy Papers

On January 6, 1967, only a few days after designation of the first growth center, the Agency issued an Economic Development Order on the "Qualification and Delineation of Economic Development Centers." This policy statement, which was primarily a reiteration of the legislative stipulations regarding growth centers, is presented in Appendix D of this document. The first of its four major points was that cities or contiguous groupings of incorporated places could be designated as centers if the Secretary of Commerce determined that they met two criteria:

- (1) that they were the most likely places within economic development districts to have potentials for growth that might reasonably be expected to contribute to the alleviation of economic distress in district redevelopment areas; and
- (2) that their designation was necessary to carry out the economic development program of the district effectively.

Other points covered by the Order included the legislative restriction against designating places with populations exceeding 250,000, and a statement that selection and designation of a district's growth center would be based primarily on facts and arguments presented in the district OEDP. In addition, EDA's policy governing the boundaries of economic development centers was discussed. While stating that the recognized boundaries of cities or groupings of incorporated places would ordinarily serve as the boundaries for the growth center, the Order announced that such boundaries could be expanded to include an adjoining minor civil division. This would be accomplished in the event that a public works or business development project consistent with the district OEDP and eligible for EDA financing was proposed and approved for location in the adjoining division.

No further policy statements regarding EDA's growth center strategy were issued for more than a year. Then, on March 11, 1968, the Agency published a revised version of the earlier Economic Development Order. This statement on the "Economic Development Center Strategy," which specified for the first time centers' obligations to nearby redevelopment areas, is still in effect. It is presented in Appendix D.

Although a number of issues are discussed in the revised Order, it is basically concerned with insuring that EDA expenditures in growth centers benefit redevelopment areas and their residents. These benefits can be in the form of employment, public services, increased economic activity, or reduction in the rate of migration to large urban centers.

In discussing the Agency policy on project development, the document states that primary emphasis will be placed on those projects within centers that will:

- . directly improve the employment opportunities of unemployed or underemployed residents of redevelopment areas; and/or
- . make public services and facilities more readily available to residents of such areas.

In addition, it indicates that priority will be given to projects that materially improve the environmental facilities essential to accelerating the center's growth.

The March 1968 Order added administrative criteria to the legal requirements for designating growth centers. Among these is the stipulation that the center be establishing or implementing a comprehensive planning program at the time of designation. This program must include a development strategy involving the assimilation of unemployed and low-income residents of redevelopment areas into the growing economy of the center. In addition, each center should have a sizeable local market, a relatively large well-trained labor force, the prospect of developing a diversified economy, and (normally) a population base of at least 25,000. The Order also states that with the exception of location, redevelopment centers must meet the same criteria as economic development centers. (Redevelopment centers are located in district redevelopment areas, while economic development centers are located in non-designated counties.)

Through the Order, a number of guidelines were established for use in approving projects in growth centers. These include giving priority to projects from centers located in districts ranked high in terms of economic distress, and considering no projects from a center until it has outlined a Positive Action Program detailing the steps it will take to insure that unemployed and underemployed residents of redevelopment areas benefit from its growth. The Order indicates that the Positive Action Programs will be reviewed at the Pre-Application Conferences that precede the submission of each growth center project.

Among the other topics covered by this policy statement is responsibility for its implementation. District organizations, EDA field offices, and the Agency's Washington staff are all assigned roles. For example, district organizations are given responsibility for assessing the plans and programs of growth centers, while primary responsibility for selecting and developing growth center projects is delegated to Area (Regional) Office personnel.

Since issuance of the revised Economic Development Order in March 1968, the Agency's policy with regard to projects in growth centers has not changed. Although a guide was published in September of 1968 for communities to follow in preparing Positive Action Programs, no Economic Development Order has been issued on the subject.

2. Data on Designated Centers and Project Funding

As of March 31, 1971, EDA had designated 139 economic development centers and 67 redevelopment centers in 105 districts from Maine to California. The economic development centers had received obligations of approximately \$104 million through EDA's Public Works, Business Development, and Technical Assistance Programs. In addition, the 105 districts had received approximately \$17 million in EDA planning grant funds.

Table 1 presents a breakdown of EDA growth center expenditures and district planning grants by region.

D. RATIONALE FOR EVALUATING EDA'S GROWTH CENTER STRATEGY

When EDA initiated a major evaluation effort in January 1970, only three years had elapsed since designation of the first growth center. As a result, few growth center projects had the one-year completion status required by the analysts for inclusion in the evaluation. Because the number of projects that met the comple-

TABLE 1

EDA ASSISTANCE TO ECONOMIC DEVELOPMENT CENTERS

(MARCH 31, 1971)

REGION	EDA OBLIGATIONS IN ECONOMIC DEVELOPMENT CENTERS			DISTRICT PLANNING GRANTS ^{1/}
	PUBLIC WORKS	BUSINESS DEVELOPMENT	TECHNICAL ASSISTANCE	
ATLANTIC (Conn., Del., Me., Md., Mass., N.H., N.J., N.Y., Pa., P.R., R.I., Vt.)	\$6,768,000	\$4,775,000	\$301,920	1,563,000
MIDEASTERN (Ky., N.C., Ohio, Va., W.Va.)	\$7,487,000	\$2,452,000	\$ 38,435	1,737,000
SOUTHEASTERN (Ala., Fla., Ga., Miss., S.C., Tenn.)	\$27,469,000	\$10,902,000	\$335,721	4,584,000
MIDWESTERN (Ill., Ind., Iowa, Mich., Minn., Mo. Neb., N.D., S.D., Wis.)	\$7,329,000		\$267,854	2,603,000
SOUTHWESTERN (Ariz., Ark., Colo., Kan., La., N.M., Nev., Okla., Tex., Utah, Wyo.)	\$29,181,000	\$5,701,000	\$427,891	5,686,000
WESTERN (Alas., Cal., Haw., Idaho, Mont., Ore., Wash.)	\$1,057,000			780,000
TOTALS	\$79,201,000	\$23,830,000	\$1,371,821	\$16,953,000

^{1/} As of February 28, 1971

tion requirement was so small, the evaluators were primarily limited to making subjective judgments about the success of the strategy.

During the course of the evaluation effort, the Office of Management and Budget (OMB) submitted a set of four policy-oriented questions to EDA, requesting that they be addressed as part of the evaluation. One of the four asked whether EDA should concentrate assistance in development districts, especially in economic development centers, or in depressed areas. Although the evaluators attempted to address this issue, the limited amount of data on growth center projects gave them no factual basis for a response. Their answer, which indicated that the Agency should and would continue to combine the two approaches, was primarily based on the same theoretical concepts applied in structuring the EDA legislation four years earlier.

These experiences and the impending expiration of the EDA legislation impressed Agency policy makers and OMB officials with the need to learn more about the effectiveness of the growth center strategy as implemented by EDA. As a result, an in-house task force was appointed in December 1970 to analyze the Agency's implementation of the growth center strategy outlined in the Public Works and Economic Development Act of 1965. This document presents the results of the in-house task force's evaluation of EDA's growth center strategy.

E. EVALUATION APPROACH

Two major goals were identified in connection with this analysis:

- . to evaluate the impact of EDA expenditures in growth centers; and
- . to estimate the potential of counties to serve redevelopment areas as growth centers.

The methodology developed to achieve these goals consisted of in-depth case studies of EDA growth centers and an economic assessment of counties in and near economic development districts.

1. In-Depth Case Studies

To determine the impact of EDA growth center activities, detailed studies of 12 EDA-designated growth centers were conducted. These on-site examinations focused on determining EDA project impact, the effectiveness of Positive Action Programs, and the roles

played by district organizations in implementing the growth center strategy. Each center's influence on district migration was also assessed, as was the local development process in each center.

Depending on the size of the center, three to seven man-weeks were spent on-site collecting data. Typical sources of information were district staff and board members, elected officials of the growth center, elected officials of district redevelopment areas, project applicants, and employers and employees in firms that located or expanded operations as a result of EDA projects. The data was obtained through in-depth interviews and, in the case of employers and employees, the administration of questionnaires designed specifically for this evaluation.

A detailed description of the methodology used in conducting the 12 in-depth case studies is presented in Appendix A of this report. Appendix F contains the employer and employee questionnaires administered during the field work.

2. National Assessment

The other portion of the evaluation was an assessment of counties in and near economic development districts. The purpose of this exercise was to identify counties with the potential to serve district redevelopment areas as growth centers.

To determine a county's potential as a growth center, a number of factors were examined. These factors, which are explained in detail in Appendix B, included:

- . a comparison of the county's changing employment structure with that of other counties in the same region;
- . the county's employment growth in key sectors between 1950 and 1960;
- . the county's employment structure;
- . the county's population change between 1960 and 1970; and
- . the location of the county with respect to redevelopment areas and Standard Metropolitan Statistical Areas.

As part of the analysis, districts were modified to include non-district counties that fell within district trade and commuting patterns. In addition, a study of employment changes in various sectors was conducted for counties contiguous to those counties designated as EDA growth centers or identified as growth centers through the National Assessment. The population and migration characteristics of EDA-designated districts were also investigated.

F. EVALUATION RESULTS

This document presents the findings of the growth center evaluation. The results of the in-depth case studies are presented in Section II, which includes summaries of each center visited. The methodology used to conduct the case studies appears in Appendix A, and the EDA MEDO's which helped form the basis for that methodology are reproduced in Appendix D. Questionnaires for obtaining data from employers and employees associated with EDA projects are presented in Appendix F. Detailed case studies of the centers visited are contained in a separate document entitled Supporting Documentation for the EDA Growth Center Evaluation - Detailed Case Studies.

Section III presents the findings of the National Assessment portion of the evaluation. More detailed findings of this analysis appear in Appendix C, while Appendix B describes the methodology employed in conducting it.

Two analyses conducted in support of the National Assessment are presented in Section IV:

- . a population and migration study; and
- . an analysis of employment in counties contiguous to EDA growth centers and other growth centers identified through the National Assessment.

Appendix G contains the detailed migration data used in the population and migration study.

The final section of the main body of the report is a summary of the overall findings. In this section, the project data collected through the case studies is compared with data from earlier evaluations of projects located in redevelopment areas. The RA projects from which these data are drawn are identified in Appendix E.

II. FINDINGS OF THE IN-DEPTH ANALYSIS OF SELECTED ECONOMIC DEVELOPMENT CENTERS

A. INTRODUCTION

EDA's activities in economic development center (EDC's) were evaluated through in-depth case studies of 12 communities. In 11 of these centers, EDA projects had been approved and 90 percent disbursed since preparation of the community's Positive Action Program (PAP). A thirteenth center was also visited to determine the impact of a Positive Action Program in a town in which no EDA projects had been approved. The centers, which are shown in Figure 1 and identified in Table 2 by population, project approvals, and project completions (90 percent disbursed), were selected to insure as much diversity as possible in terms of geographic location, population, and project type.

The field work for this portion of the evaluation was conducted by a 10-man task force between February and April of 1971. More than 500 on-site interviews were held during this period, and 45 EDA projects were analyzed. Thirty-two of these were completed or had reached the stage where project impact could be determined. As previously indicated, the methodology employed in conducting these in-depth studies is described in detail in Appendix A.

B. COLLECTIVE FINDINGS

1. Impact of EDA Projects in Growth Centers

a. Overall Job and Economic Structure Impact

The 28 completed EDA public works and business loan projects in the growth centers evaluated have resulted in the creation of 2,825 direct jobs, at an average annual salary of \$5,900. Thus, the projects have generated \$16.6 million in yearly salary. In addition, they have led to approximately \$43 million in private investment. EDA's investment per job for these projects is \$7,167. If the EDA investment and jobs for the two "environmental" projects are eliminated, the Agency's investment per job drops to \$6,908.

The four completed technical assistance projects have not had an appreciable impact on employment. However, one was partially responsible for the location of eight jobs in an industrial park being studied.

The majority of the jobs created through EDA's growth center projects are in stable firms with year-round operations. There is no evidence that these firms have diversified local economies,

FIGURE 1
ECONOMIC DEVELOPMENT CENTERS EVALUATED

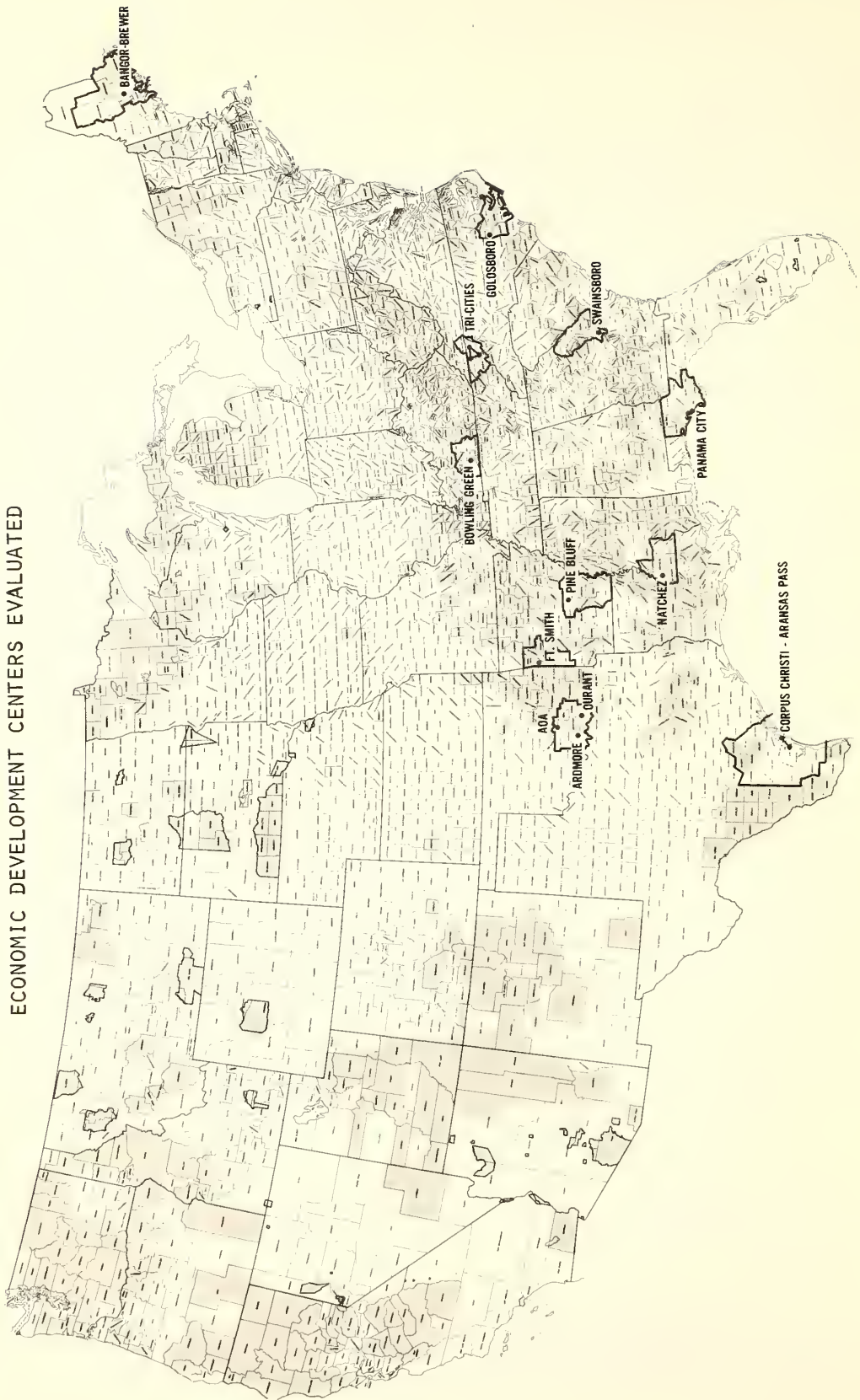


TABLE 2
CENTERS EXAMINED THROUGH IN-DEPTH ANALYSIS

ECONOMIC DEVELOPMENT CENTERS	POPULATION	APPROVED PROJECTS	COMPLETED PROJECTS
Ada, Ardmore, Durant Oklahoma	46,858	\$3,485 10P's, 1B, 1T	\$1,214 3P's, 1B
Bangor-Brewer, Maine	42,468	\$4,172 2P's, 2B's, 2T's	\$1,859 2B's, 1T
Bowling Green, Kentucky	36,253	\$1,504 3P's	\$1,504 3P's
Corpus Christi-Aransas Pass, Texas	210,338	\$3,188 5P's, 2B's, 1T	\$1,187 2P's, 2B's, 1T
Ft. Smith, Arkansas	62,802	\$3,099 6P's	\$1,050 3P's
Natchez, Mississippi	19,704	\$ 597 1B, 2T's	\$ 555 1B, 1T
Panama City, Florida	32,096	\$2,075 1P	\$2,075 1P
*Pine Bluff, Arkansas	57,389	\$1,481 2P's	\$1,481 2P's
Swainsboro, Georgia	7,325	\$1,908 3P's, 1B	\$1,832 2P's, 1B
Tri-Cities (Bristol, Kingsport, Johnson City), Tennessee-Virginia	100,659	\$9,767 4P's, 2B's	\$7,585 3P's, 2B's
+Goldsboro, North Carolina	26,810		

*Pilot Test Site
+PAP Evaluation
P = Public Works Grant or Loan
B = Business Loan
T = Technical Assistance

but this is partially explained by the fact that most of the centers examined differ from redevelopment areas because they already possess diversified economic bases. Thus, EDA projects in such places are less likely to have this type of impact.

Approximately 30 percent of the 2,822 employees at EDA-associated firms in the growth centers were unemployed or underemployed prior to obtaining their present positions. One-fifth of these individuals are members of minority groups. The EDA projects in growth centers have raised 674 households above the poverty level and resulted in increased incomes for 84 households still below the poverty level. Thus, of the households affected by EDA growth center projects, 24 percent were raised above the poverty level as a result of the projects, while 3 percent remained below the poverty level. Seventy-eight percent of the jobs created by EDA are held by heads of households.

The average annual increase in salary for previously unemployed persons as a result of EDA-created positions was \$5,200. Previously employed workers increased their yearly wages by \$1.7 million, for an average of \$1,400 per person.

In addition to obtaining jobs as a result of Agency projects, approximately 1,900 individuals received on-the-job training in connection with their new positions. Moreover, 69 percent of those persons advanced as a result of the training, either by receiving more responsibility or increases in salary. Approximately 800 employees received other types of training, and 69 percent of these individuals received promotions or pay increases as a result of such training.

The table on the following page summarizes the overall findings of the in-depth evaluations.

b. Job Impact on Present and Former Redevelopment
Area Residents

Fourteen percent of the jobs created through the public works and business loan projects in growth centers have been filled by present and former residents of EDA-designated redevelopment areas (RA's). However, this figure is misleading because if the 600 jobs created by three interrelated projects in Bowling Green, Kentucky, are eliminated from the data base, less than 6 percent of the remaining jobs are held by RA residents.

For all projects, EDA's investment per job to a present or former RA resident is \$50,000. Excluding the unique case in Bowling Green raises this figure to \$116,000.

TABLE 3

EDA EMPLOYMENT IMPACT*

ANALYSIS CATEGORY	EDA IMPACT
<u>Jobs Generated</u>	2,822
. Jobs to Present and Former RA Residents	392
. Jobs to Previously Unemployed and Underemployed	875
. Jobs to Members of Minority Groups	271
. Jobs to Heads of Households	2,211
. Number of Families Raised Above Poverty Level	674
<u>EDA Investment Per Job</u>	\$6,908
<u>EDA Investment Per RA Job</u>	\$50,000 \$116,000**
<u>Average Salary</u>	\$5,900
<u>Training</u>	
. On-the-Job	1,931
. Other	782

* Excluding two "environmental" projects

** Excluding Bowling Green Projects

Of the present and former RA residents employed as a result of EDA projects, just over 26 percent were previously unemployed or underemployed. Approximately 13 percent of these previously unemployed or underemployed individuals are members of minority groups. Ninety-six families who live in RA's or formerly resided there were raised above the poverty level as a result of EDA projects in growth centers, while 8 remain below poverty level, despite the income from the job created by EDA.

The average annual salary for present and former RA residents with EDA-associated jobs was \$6,400. The average annual salary increase for previously unemployed RA residents was \$5,600, while previously employed RA residents averaged an annual salary increase of \$1,200.

Approximately 92 percent of the present and former RA residents are heads of households. Two hundred sixty-six, or 68 percent, received on-the-job training as a result of the jobs created by EDA, and 77 percent of those who received this training improved their positions as a result. In addition, 237 present and former RA residents received other types of training, and 172, or 72 percent, were promoted or received salary increases in connection with the training.

c. Job Impact on Unemployed and Underemployed Residents of
The Growth Center and Non-Designated Counties

Of the 2,822 persons employed as a result of EDA projects in growth centers, 2,430 lived in growth centers or non-designated counties prior to taking their present positions. Of this number, 771, or 32 percent, were previously unemployed or underemployed. Thus, 27 percent of all persons receiving jobs as a result of EDA growth center projects were previously unemployed or underemployed residents of growth centers or non-designated counties.

Approximately 20 percent of these previously unemployed and underemployed persons are members of minority groups, and 71 percent are heads of households. By creating jobs for these persons, EDA raised 418 households above the poverty level, and increased the family income of 33 households that are still below the poverty level.

The average annual increase in salary for previously unemployed persons was \$5,200; previously underemployed workers averaged a \$2,600 increase in yearly income as a result of EDA projects. Of the previously unemployed or underemployed workers, 58 percent, or 450, received on-the-job training in connection with their new jobs. In addition, 143 persons received other

types of training. Of those who were trained, 283 received promotions or salary increases attributable to the training.

d. Secondary Job Impact in Redevelopment Areas

No suppliers or distributors have located in or near growth centers as a result of the 28 EDA public works and business loan projects evaluated. In a number of cases, local suppliers increased business as a result of the location or expansion of an EDA-associated firm, but, as far as could be determined, the increases had little or no impact on the suppliers' employment. In no case could a supplier state that he had added employees as a direct result of improved business associated with the location or expansion of a firm benefitting from an EDA project. However, evaluators were able to ascertain that 16 secondary jobs were saved in Bangor Brewer, Maine, as a result of EDA's loan to Eastern Fine Paper Company.

e. Indirect Economic Spillover to RA's

At present there is no evidence that EDA projects in these 12 growth centers have resulted in significant indirect benefits to redevelopment areas. Jobs created through growth center projects represent approximately \$16.6 million in annual wages. The 338 present RA residents employed by EDA-associated firms spend an average of \$331 per month in their home counties, for a total annual expenditure of \$1,354,000. Thus, only 8 percent of the salaries generated by EDA growth center investments are spent in redevelopment areas.

The 28 firms directly assisted by EDA or benefitting from EDA projects in growth centers purchase just over \$5 million annually in supplies and services from RA's. However, 90 percent of this amount represents the expenditures of two firms. Moreover, both firms had purchased a similar amount of supplies in RA's before receiving EDA assistance. Thus, approximately \$22 million of EDA investment has generated only \$1.9 million in new economic spillover benefits to redevelopment areas.

f. Effect on Out-Migration

As far as can be determined to date, those EDA projects analyzed by this evaluation have had a negligible impact on out-migration from redevelopment areas and economic development districts. Less than one percent of the 850 employees surveyed at EDA-associated firms in growth centers would have migrated from the area if their present jobs had not been available. The percentage of workers who indicated they would have moved to one of the nation's major urban areas in the absence of the EDA-created job was even smaller.

The employee survey showed that only 2 percent of the workers at EDA-associated firms in growth centers moved from a redevelopment area to the growth center upon taking their present jobs. Moreover, only 11 percent of the employees presently reside in RA's, and this figure drops to 4 percent when the Bowling Green statistics are eliminated.

These findings suggest a need for careful re-examination of EDA's assumption that accelerating and increasing the growth and prosperity of EDC's will encourage residents of nearby depressed areas to commute or migrate to the center for work. A straw poll of recent migrants from RA counties near 6 of the 12 growth centers suggested that the assumption might have some validity. (The 6 centers were Ada, Okla., Bangor-Brewer, Me.; Bowling Green, Ky.; Corpus Christi, Tex.; Natchez, Miss.; and Swainsboro, Ga.)

Of the 66 persons contacted through the poll of recent migrants, 33 moved for reasons over which EDA has no control. For example, 13 of the persons were doctors, teachers, lawyers, or employed in other professional positions that are seldom, if ever, created as a result of EDA projects. Another 9 moved for personal reasons that had nothing to do with employment opportunities.

Of the 33 persons who could have been influenced by the creation of jobs in the growth center, 19, or 58 percent, indicated they would have remained in the area if "decent-paying" jobs had been available in the growth center. Nine of these stated they would have remained in the RA and commuted to the growth center for work. The other 10 said they would have moved their place of residence to the growth center. However, a number of persons expressed doubt that attractive employment opportunities could be created in the growth centers. This was particularly true with respect to Swainsboro.

g. Improved Public Services

Several of the water systems funded by EDA in the economic development centers provide service to growth center residents. One of these projects improved service to RA residents, although it was unique in that the facility was physically located in a redevelopment area bordering the growth center county. However, none of the water system projects was submitted or approved solely for the purpose of providing service. Each was linked to industrial development: the direct creation or saving of jobs.

As indicated in Section I, the growth center strategy defined by EDA policy makers includes a provision for funding projects that materially improve the environmental facilities of a center if those facilities are essential to accelerating the center's growth. Only 2 of the 28 completed projects fall into this category: a scientific library built in Ft. Smith, Arkansas, and a marine-oriented research facility in Corpus Christi, Texas. However, the justification given in the project applications for these facilities placed emphasis on the projects' employment generating capabilities as well as their effect on the cities' environmental facilities. A third project was also approved for the purpose of improving a center's environmental facilities; however, this vocational-technical school in Ft. Smith was not completed at the time of the evaluation.

None of these projects was judged by the task force as essential to accelerating the growth of the town in which it is located. The library has no more volumes than the structure it replaced; the research facility employs only nine persons and has completed few studies; and the vocational-technical school, while a valuable addition to the local infrastructure, represents too small an investment to accelerate the growth of the entire city.

Moreover, neither of the completed "environmental" projects - the library and research center - presently benefits RA residents. In fact, the Fort Smith library charges a service fee to residents of other counties. The research facility in Corpus Christi, which was severely damaged in Hurricane Celia, had produced no studies linked to increased job opportunities for RA residents through exploitation of the area's marine and mineral resources. Finally, when the Fort Smith voc-tech facility is completed, it appears that the old school's practice of charging RA residents double tuition will be continued.

The individuals benefitting from the environmental and water facility projects appear for the most part to be middle-income residents of growth centers. Only the water system in Durant, Oklahoma, which services 150 units of low-income housing, is having substantial impact on EDA's target population.

2. Effectiveness of the Positive Action Program (PAP)

a. PAP Status

Every center visited had prepared a Positive Action Program, and in 8 of the 13 centers (12 plus Goldsboro), the PAP had been updated or was in the process of being revised. Center leaders had assumed full responsibility for preparation of the PAP in only 3 of the 13 centers. In the remaining 10 EDC's, the PAP was written either through a joint effort on the part of the district staff and local leadership or entirely by the district staff or district director. PAP Committees have functioned at one time in 5 of the 13 centers, but were inactive at the time of the evaluation in all but 3.

b. Identification of PAP Goals

In almost every case, the PAP consisted of a description of on-going federal or local programs aimed at improving conditions in the growth center itself. The community's responsibility to surrounding depressed areas was seldom articulated in the PAP's studied, and in the few cases where some mention was made of the center's relationship to such areas, its service role was not emphasized. The absence of programs designed to benefit RA residents indicated a misunderstanding of the PAP's purpose.

c. Local Commitment to PAP Goals

Center leaders and district staff members in several of the EDC's indicated that they view the PAP as a paper requirement of the federal bureaucracy in Washington. In a few centers, the PAP was praised as a useful planning tool, a catalyst that brought together various segments of the community, and a means of acquainting local leaders with growth center programs aimed at assisting the unemployed and underemployed and members of minority groups. However, in no case did center leaders view the PAP as a means of insuring that unemployed and underemployed residents of redevelopment areas benefit from their community's growth. In most centers, only the limited number of persons involved in preparing the PAP remembered the document, and most of them responded with vague answers when questioned about its content.

Several centers listed specific goals, such as establishing a vocational-technical school, in their Positive Action Programs. Goals of this type usually received widespread support within the growth center communities. Goals that concerned improving conditions for the poor and minority group members appeared to be less readily accepted. However, the reaction to them varied considerably among the centers.

Although some of the goals listed in Positive Action Programs received local support, none was recognized as a PAP goal by residents of the growth centers. If not viewed as local government aims or vague, community-wide goals, they were identified with specific interest groups, such as Chambers of Commerce, Lion's Clubs, and religious organizations.

d. Progress Toward Achieving PAP Goals

Some of the PAP goals aimed at improving facilities or initiating projects in growth centers have been achieved. In a few instances, programs to assist poor persons and members of minority groups residing in growth centers have also been implemented. However, none of the programs designed to assist redevelopment area residents has been undertaken.

e. Accomplishments Directly Attributable to the PAP

No evidence was found that benefits have accrued to redevelopment area residents as a direct result of the PAP's associated with these 13 growth centers. In the case of Goldsboro, North Carolina, the successful implementation of a training program developed as a result of EDA's PAP requirement will aid unemployed residents of the growth center. With respect to the other 12 EDC's, the few programs initiated as a result of PAP's primarily serve middle- and high-income residents of growth centers.

f. Influence of PAP

Projects in these 12 centers funded before establishment of the PAP requirement (March 1968) have had essentially the same impact on present and former redevelopment area residents as those funded since that time. The PAP's have not increased EDA project benefits to these individuals. Moreover, as indicated above, no projects or programs in the centers evaluated have been initiated to benefit RA residents as a result of PAP's.

In Goldsboro, where a PAP exists in the absence of EDA project funding, the situation is no different. Although the PAP is credited with increasing the local power structure's awareness of the problems facing the growth center's poor and minority group members, it has had no apparent impact on redevelopment area residents.

3. Effectiveness of District Organization in Implementing the Growth Center Strategy

a. Capacity to Promote Growth Center Strategy

Although there were notable exceptions, the majority of the district board and staff members interviewed had only a vague conception of EDA's growth center strategy. The most prevalent view was that EDA funds projects in growth centers because centers are more prosperous than other places in districts. The possibility of growth center projects providing direct benefits to residents of RA's and the responsibility of growth centers to provide services and assistance to RA's were recognized in only a few instances.

District staff members appeared to have a better understanding of the strategy than did members of district boards. However, in only 1 of the 11 districts visited had the staff made any attempt to insure that RA residents benefitted significantly from growth center projects. The staffs appeared to believe that projects in growth centers will eventually benefit RA's without any special effort on the part of the growth center or the district staff. Several board members from redevelopment areas felt the district staff had neglected their counties and placed undue emphasis on growth centers.

In at least three cases, the task force felt that the location of the district office had affected implementation of the growth center strategy. In each of these cases, the needs of the center in which the office was located appeared to dominate the staff's attention. Since no effort was made to extend benefits of EDA projects in these centers to RA residents, the district redevelopment areas were not adequately served.

This was particularly true in Texas' Coastal Bend Economic Development District, where the district staff office is located in Corpus Christi, approximately 80 miles from the nearest RA community. Celia, a hurricane that ravaged Corpus Christi, and the personal predilections of the district staff combined to create a situation where most staff time was allocated to the problems of Corpus Christi. Prior to the evaluation team's arrival, no RA had been visited by a staff member for more than seven months.

Growth center residents outnumbered RA residents on only 2 of the 10 district executive boards examined. RA residents, on the other hand, outnumbered growth center residents on 4 executive boards. For the most part, no single county dominated the activities of the district board; growth center representatives and redevelopment area representatives appeared to have an equal voice in determining board priorities and projects.

The growth center county or counties contributed the largest portion of the district's budget in all of the districts visited. In most cases this was the result of per capita levies. However, as indicated above, growth center representatives were not dominating the boards in most of the districts.

b. Services of the District Staff and Board

The district staffs provided considerable assistance to growth centers in their efforts to prepare Positive Action Programs. In several instances, the district staff assumed full responsibility for the PAP's preparation. However, there was little evidence that the staffs provided any assistance with respect to implementing the growth center strategy. The PAP's do not reflect new commitments to helping redevelopment areas; they are usually a summation of on-going local, state, and federal programs aimed at improving conditions for residents of the growth center. Moreover, neither district staffs nor boards have intentionally developed or implemented projects designed to carry out the growth center strategy.

Board members from growth centers and non-designated counties had provided technical assistance to RA representatives on several occasions. However, these appeared to be chance occurrences. The majority of the growth center representatives interviewed did not feel any responsibility to pass on job information or advice to board members from redevelopment areas.

4. Status of the Economic Development Process

a. Local Government's Attitude

In 7 of the 12 EDC's examined, the local government played a leading role in initiating and implementing development activities. In the remaining 5 centers, local government officials

either exhibited a cautious attitude toward development projects or were strongly opposed to disturbing the community's status quo.

EDA projects and district staff activities have stimulated civic leaders in 4 of the 7 centers where the local government supported development activities. In 1 center, the district staff was exerting considerable effort to persuade local government leaders to sponsor development-oriented projects. However, no results were visible at the time of the evaluation.

b. Lending Institutions' Attitude

Average loan-to-deposit ratios for lending institutions in 9 of the 12 centers were between .55 and .60, representing a generally conservative banking approach.^{1/} In Ardmore and Corpus Christi, loan-to-deposit ratios averaged .45 and .50 respectively, indicating an extremely conservative lending policy. Swainsboros' bankers had the highest ratio, averaging .68. In all cases, EDA appeared to have had little impact on the policies of growth center banks.

c. Dominant Economic Group's Attitude

The dominant economic group or groups in 7 communities were generally in favor of development projects. These were the same communities whose elected officials supported such activities. In the other 5 centers, the dominant economic groups were suspicious of development activities. EDA projects and activities have resulted in a more favorable attitude toward development projects on the part of the economic leaders in 4 centers.

d. Cooperation of Community Organizations

Community organizations were not heavily involved in economic development projects in any of the 12 centers visited. Most projects sponsored by these groups were aimed at:

- . benefitting worthy individuals (e.g., scholarship awards;
- . improving the center's atmosphere (e.g., beautification drives and collecting books for donation to the library); or
- . extending charity to underprivileged residents (e.g., distributing canned goods to poor families at Thanksgiving and Christmas).

EDA involvement in the centers has not affected the activities of such organizations.

^{1/} See Appendix A, page A.16.

e. Effectiveness of Community Planning Efforts

Some planning was taking place in each of the 12 centers visited. However, the quality and quantity varied considerably. The smaller centers had planning boards composed of community leaders. These boards had no staffs, met at night, and became involved only in traditional land-use type planning. In Panama City, where zoning requirements have been defeated 3 times, the district employees are the only professional staff available to the local planning commission.

In the larger centers, such as Corpus Christi, Tri-Cities, and Ft. Smith, full-time planning staffs were employed by the city governments. However, even in these places, emphasis was placed on physical planning, and the staffs were generally not influential in guiding local development. Some of the centers were using funds from the Department of Housing and Urban Development's planning grant program to finance planning activities.

EDA-funded district staffs have assisted local planning boards in 5 of the 12 centers, and encouraged these entities to do more comprehensive planning. EDA has had no impact on planning activities in the remaining 7 centers.

f. Effectiveness of Local Development Organizations

Three of the 12 centers had active private development corporations working to attract industry. The industrial development foundation in Bowling Green had been particularly successful. In 7 other EDC's, city, county, and Chamber of Commerce groups or officials served the same function and appeared to be having some success. No groups were actively engaged in industrial prospecting in the remaining 2 centers.

PAP Committees were functioning in 3 of the 12 centers, but in no case was seeking industrial prospects a major activity. EDA projects and district staff assistance have supported local groups' efforts to attract industry, often allowing them to achieve concrete results.

g. Borrowing and Financing Capacity

The results of past votes on bond issues and tax increases indicated that residents of 6 EDC's were willing to finance local improvements through such measures. Residents' attitudes toward supporting local improvements in the other 6 centers ranged from a willingness to pay for certain types of projects in Swainsboro and Ft. Smith, to a lack of support for all but the most essential service projects in debt-ridden Natchez. There was no evidence that EDA has had any impact on these attitudes.

h. Cooperation with Neighboring Redevelopment Areas
Through the District Organization

Each of the centers examined through the in-depth case studies was judged to be playing a leading role in the activities of the district organization. In every case, the district board's elected officials included a representative from the EDC being evaluated.

The effectiveness of the center's leadership was more difficult to judge, but a surface inspection indicated that Corpus Christi-Aransas Pass was the only center not providing adequate leadership. Moreover, this failure to provide effective leadership was primarily a result of the board's infrequent and poorly attended meetings, and not because of the poor performance of the board's growth center representatives.

i. Effectiveness in Using State and Federal Development
Programs

Ten of the 12 centers were taking advantage of programs sponsored by such federal agencies as the Office of Economic Opportunity (OEO), the Department of Housing and Urban Development (HUD), and the Department of Health, Education, and Welfare (HEW). Only Natchez, Panama City, and Kingsport-- one of the towns in the Tri-Cities growth center-- exhibited a reluctance to obtain federal assistance. This reluctance appeared to stem primarily from the requirements associated with some of the federal programs. State assistance programs were being used in all the centers.

District staffs have encouraged centers to make use of such programs whenever possible. In addition, district staffs have assisted in the preparation of applications for EDA and other federal and state programs. Moreover, completed EDA projects have shown center leaders what can be accomplished through local-federal cooperation, and stimulated them to investigate other federal programs.

j. Concern for Poor and Minority Groups

In no center were the majority of the development programs planned for the benefit of members of poor and minority groups. However, each center was taking advantage of at least one federal program designed to assist underprivileged persons. These included HEW's food stamp program, HUD's low-income housing program, and HEW's Head Start Program. Churches and service clubs in the centers did not appear to be engaged in significant efforts to alleviate the economic and social hardships suffered by the poor and members of minority groups.

EDA projects and the efforts of district staffs do not appear to have resulted in more positive attitudes toward helping these individuals.

k. Concern for Redevelopment Area Residents

The one characteristic shared by the 12 centers was their citizens' lack of concern for residents of nearby redevelopment areas. No growth center development programs were planned for the benefit of RA residents, and most center leaders questioned the practicality of attending to the needs of other counties before solving local problems.

In a few isolated instances, EDA projects and district staff efforts have caused EDC residents and employers to recognize the situation facing RA residents and to consider hiring them for jobs in the growth center. However, with the exception of Chrysler's outreach program in Bowling Green, little has been accomplished.

C. SUMMARIES OF INDIVIDUAL GROWTH CENTER EVALUATIONS

1. Ada, Ardmore, and Durant, Oklahoma

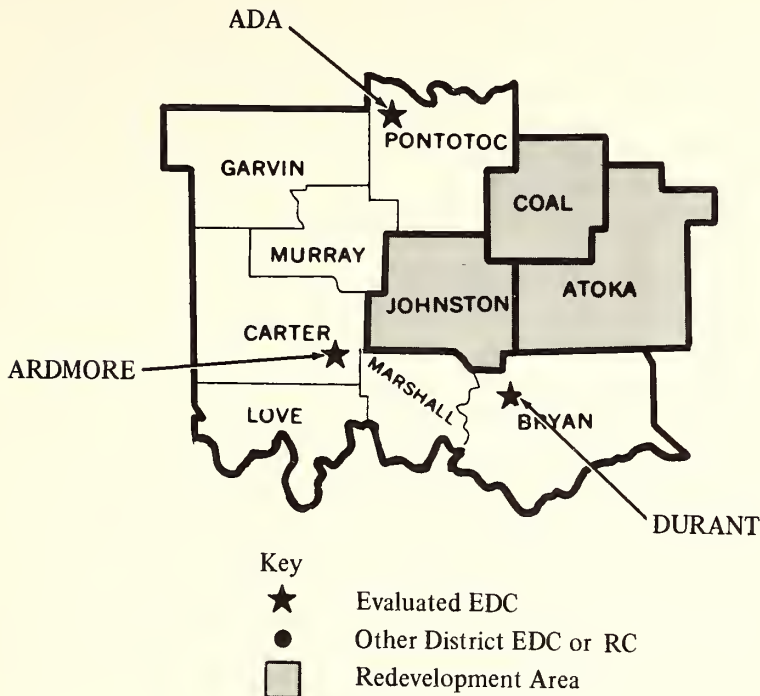
The Southern Oklahoma Development Association (SODA) Economic Development District has three designated economic development centers: Ada, Ardmore, and Durant. Ada, which had a 1970 population of 14,859, was designated on February 21, 1967, when the 10-county district was officially recognized by EDA. Ardmore and Durant, with populations of 20,881 and 11,118 respectively, were designated 10 months later on December 5, 1967.

As shown in Figure 2, the centers form a triangle with corners in the north central, southeastern, and southwestern sections of the district, and each is located within 15 miles of one of the district's three redevelopment areas. However, in each case the distance between the growth center and the largest town in the redevelopment area slightly exceeds 30 miles.

Ada was originally chosen as the sole subject of the in-depth evaluation. However, consideration of two factors led to a decision to include Ardmore and Durant in the analysis: (1) Durant was the site of a completed EDA project; and (2) all three centers were involved in the SODA District's unique effort to obtain government assistance in designing and implementing a comprehensive development program. A three-man EDA evaluation team visited the centers during the period between March 31 and April 9, 1971.

FIGURE 2

SOUTHERN OKLAHOMA DEVELOPMENT
ASSOCIATION ECONOMIC DEVELOPMENT DISTRICT



a. EDA Project Impact

Since their designation, the three centers have obtained approval for EDA projects in excess of \$4 million. However, as of December 31, 1970, only four projects, representing EDA funds of \$1,213,500, were 90 percent disbursed. These consisted of:

- . a \$183,500 public works grant to finance a storm sewer and streets for an industrial park in Ada;
- . a \$113,500 public works grant to build an access road to the Brockway Glass plant in Ada;
- . a \$500,000 business loan channeled through the Pontotoc County Industrial Development Authority to enable Solo Cup Company, a Chicago-based manufacturer of plastic cups, to locate in Ada; and
- . a \$417,000 public works grant to extend water service facilities in the city of Durant.

Through these projects, EDA has created 225 jobs in Ada and 50 jobs in Durant. In addition, the water system project in Durant services 150 units of low-income housing. Table 4 on the following page presents additional data on each of the projects.

Future job impact at a Uniroyal facility in Ardmore will add 1,000 jobs to the total presently attributable to EDA at a public works investment of \$1,292,000. In addition, Solo Cup Company in Ada will add 135 jobs by the end of 1971. This increases the total job impact to 1,410 and lowers EDA investment per job to \$1,777. The Le Tourneau Plant to be constructed in Durant is projecting employment of 400. Since construction was not to be completed within one year of the evaluation, these jobs were not included in the future impact figures.^{1/}

b. Effectiveness of Positive Action Program (PAP)

(1) Ada

Ada's original PAP was prepared by a SODA district staff member in conjunction with Ada community leaders and submitted to EDA in May 1968. This document, whose content was similar to the Economic Development Profile previously required as part of project applications, was updated in January 1969 in connection with a business loan application for Solo Cup Company. The updated PAP contained no provisions for filling the jobs created by Solo Cup with unemployed and underemployed residents of near-by redevelopment areas, and identified no new programs designed to benefit such individuals.

In January 1971, Ada submitted the draft version of a revised PAP and a progress report on local redevelopment efforts. Prepared by the Chamber of Commerce in conjunction with the SODA district staff, the new document was distributed locally and in neighboring RA's for comment. While some of the activities given priority by those who responded to the proposed PAP could have regional impact (e.g., a voc-tech school and general industrial development), the majority are concerned with the development of Ada and only remotely tied to regional growth.

No new or significantly increased commitment to improving the condition of unemployed and underemployed RA residents is identified in the report summarizing the responses. Moreover, almost without exception, the activities affecting the poor are tied to existing projects that would have been implemented in the absence of the PAP or designation as an EDA growth center.

(2) Ardmore

Ardmore's Positive Action Program, which was originally submitted to EDA in June 1968 and updated in January 1969, was prepared by the city manager and his staff. The initial docu-

^{1/} See Appendix A, p. A.5.

EDA PROJECT IMPACT IN ADA AND DURANT

EVALUATION CATEGORY	DURANT WATER SYSTEM	SOLO CUP COMPANY (ADA)	ADA INDUS- TRIAL PARK	ACCESS ROAD (ADA)	TOTAL
Project Cost	\$834,000	\$2,000,000	\$367,000	\$226,000	\$3,427,000
EDA Participation	\$417,000	\$ 500,000	\$183,500	\$113,500	\$1,214,000
Percent Occupied or Operational	100%	50%	45%	100%	--
EDA-Attributed Jobs	50	165	60	0	275
EDA-Attributed Jobs to RA Residents	0	4*	9	0	9
EDA-Attributed Jobs to Unemployed and Underemployed Persons	14	No Data	23	0	37
RA Residents	0	No Data	3	0	3
EDC Residents	14	No Data	15	0	29
EDA Investment Per Job	\$ 8,340	\$ 3,030	\$ 3,058	--	\$ 4,415
EDA Investment Per RA Job	--	\$ 125,000*	\$ 20,389	--	\$ 79,333
Yearly Salary Generated	\$312,000	\$ 699,000	\$295,000	0	\$1,306,000

*Based on employer's estimate and not included in aggregate figures.

ment stressed the city's efforts to promote better race relations, while the update places emphasis on the creation of job opportunities for the economically disadvantaged, including residents of redevelopment areas.

However, the majority of the programs mentioned are limited to assistance for growth center residents. For example, the State Employment Security Office and the Human Relations and Job Placement Center, both tied to outreach for the unemployed and underemployed, service only citizens of Ardmore (Carter County) and non-designated counties. Moreover, none of the programs described in the document was initiated as a result of the PAP.

(3) Durant

In June 1968, Durant submitted a Positive Action Program to EDA detailing efforts to help the growth center's minority (Indian) and poor population. This document, which was prepared by the Chamber of Commerce on the basis of information provided by community leaders, was updated in November 1970 in connection with an application for an EDA project. Prepared by a SODA staff member under the supervision of the local Chamber of Commerce, this update indicates a clearer recognition of Durant's responsibility to the redevelopment areas. The plans to develop a skills training center and a curriculum for certain health professions in conjunction with an outreach program to recruit RA residents for such training were particularly significant.

To date, however, these plans have not been implemented, so none of the impacts on adjoining redevelopment areas indicated in the plans have been realized. Furthermore, even if the plans are implemented, their relationship to the PAP is questionable. Community leaders, both economic and political, were not familiar with the PAP and its purposes, suggesting that the PAP has had no initiatory impact, but merely recounts ongoing programs and previously conceived plans.

c. Role of the District Organization

The SODA District organization has focused on providing equal assistance to the individual counties in the district. However, because of a number of factors, including their relative prosperity and size, the growth center counties have acquired a larger proportion of federal and state projects than have the other seven counties. Because the centers make the most demands on its time and because its members believe the RA's are not economically viable, the district staff devotes the majority of its time to the growth centers. In addition, representatives of the three centers appear to dominate the district board and its executive committee.

Despite the emphasis placed on the growth centers, the evaluation team concluded that the district organization has not achieved significant success in implementing the growth center strategy. This is primarily because the staff's efforts to insure that growth

center projects benefit residents of redevelopment areas have been ineffective. Although job vacancies in growth centers are reported to Community Action Program Agencies in RA's, no follow-up activities have been initiated to determine the results of this service. Moreover, no attempt has been made to explain to EDA-associated employers the importance of hiring unemployed and underemployed RA residents. The one tool that EDA provided for extending benefits to redevelopment area residents, the PAP, is viewed by the district staff as a useful educational device, not a vehicle for obtaining new commitments from the growth center to assist residents of neighboring redevelopment areas.

Another reason for the district organization's apparent failure to successfully implement the growth center strategy involves the characteristics of the towns selected as centers. Excluding the metropolitan areas of Tulsa and Oklahoma City, the state of Oklahoma exhibited a 4.9 percent population increase during the 1960-70 decade. Not only did the counties in which Ada and Ardmore are located decline in population during this period, but the towns themselves failed to match the state's population growth, registering increases of 3.5 and 3.6 percent, respectively. Moreover, Ada and Durant, with 1970 populations of 14,859 and 11,118 are probably too small to exert a significant economic influence on neighboring redevelopment areas.

d. Status of the Economic Development Process

(1) Ada

Both the power structure and the general public in Ada favor development-oriented activities. For more than a decade, private citizens, an active Chamber of Commerce, and, to a certain extent, the city government have worked to diversify the town's economy. At least four local corporations are engaged in efforts to attract industry to the area, and a fifth association, the East Central Oklahoma Building Authority, is involved in the construction of a Regional Health and Social Services Center. When the Center is completed, its personnel will work not only in Ada, but also in the redevelopment area counties of Johnston and Atoka. Residents of Coal County (an RA) were unable to contribute their share to the project and thus will have to travel to Ada to take advantage of the Center's services.

Banks in Ada have participated in a positive manner in each of the EDA-associated projects. In addition, community organizations have begun to support the Chamber of Commerce in its efforts to promote support for citywide projects or bond issues. The survey conducted with relation to the proposed PAP has also had an impact in that it has made residents aware of the need to set community-wide goals and to improve city and county planning activities, which are currently handled by one part-time consultant.

The attitude of Ada's power structure toward the poor and members of minority groups both in Ada and in the redevelopment areas is influenced by pragmatic considerations. No real under-

standing of the plight of these groups appears to exist. However, members of the Ada business community speak frankly of their desire to see such individuals improve their economic status so that Ada merchants can benefit from their increased purchasing power.

While EDA projects and activities have provided facilities and services the community would not have been able to afford on its own, they have not significantly stimulated the development process in Ada.

(2) Ardmore

The status of Ardmore's development process has fluctuated considerably since the 1940's. Each time a climate favorable to development has existed, some setback, such as the closing of a major airbase, has occurred. As a result, both the town's leadership and the general citizenry are cautious about future development efforts. The aging representatives of the oil and cattle industries are particularly conservative, and the younger, more progressive leadership is splintered. With one exception, the banks are highly conservative in their lending policies, and Ardmore's citizens appear to have little or no sympathy for the residents of redevelopment areas or for that segment of their own population that is economically distressed.

Despite these attitudes, external factors favor increased development in Ardmore. The town is located on an Interstate Highway between two major metropolitan areas, serves as a terminal for the recently revised railroad system, and is the site of a new Uniroyal plant that plans to employ up to 1,000 persons. Moreover, certain internal factors indicate that Ardmore's development process is being stimulated. Not only are the various groups of younger leaders making progress with respect to individual development projects, but the location of the Uniroyal facility has stirred some hope among citizens interested in Ardmore's development. However, EDA activities and projects appear to have had no impact on the development process.

(3) Durant

The development process was first stimulated in Durant in 1968 when Corning Wares turned down the city's invitation to locate a plant there. Unlike the situation in Ardmore, Durant's younger, more progressive leaders have managed to unite and gain the support of the older cattle and farming interests, and these groups asked Corning Wares to explain its decision not to locate in Durant. Upon learning that the inadequacy of Durant's health facilities, the lack of housing, the appearance of the town's central business district, and the lack of various amenities were among the factors that led to the firm's decision, Durant's leaders initiated action to remedy such conditions.

Although its leadership is close-knit, competent, and unusually progressive, Durant's development efforts are handicapped by some of the same roadblocks faced in Ardmore. The banks are still highly conservative in their lending policies, and the general public is much more cautious than are the leaders. Moreover, a strong bias exists against poor persons in general. However, past experience indicates that Durant citizens are willing to tax themselves to support development-oriented projects.

The situation is more promising with respect to assisting residents of redevelopment areas. Long dominated by the larger Texas towns of Denison and Sherman, Durant is currently trying to establish its own sphere of influence. Commercial interests in Durant recognize the need to secure the assistance of redevelopment area residents if they are to succeed. Therefore, they view local hiring of such individuals more favorably than was previously the case.

The insights gained from the experience with Corning Wares and the energetic efforts of the town's younger leaders have played the major role in stimulating the economic development process in Durant. EDA projects and activities have supported these efforts, but have had little impact on the process itself.

2. Bangor-Brewer, Maine

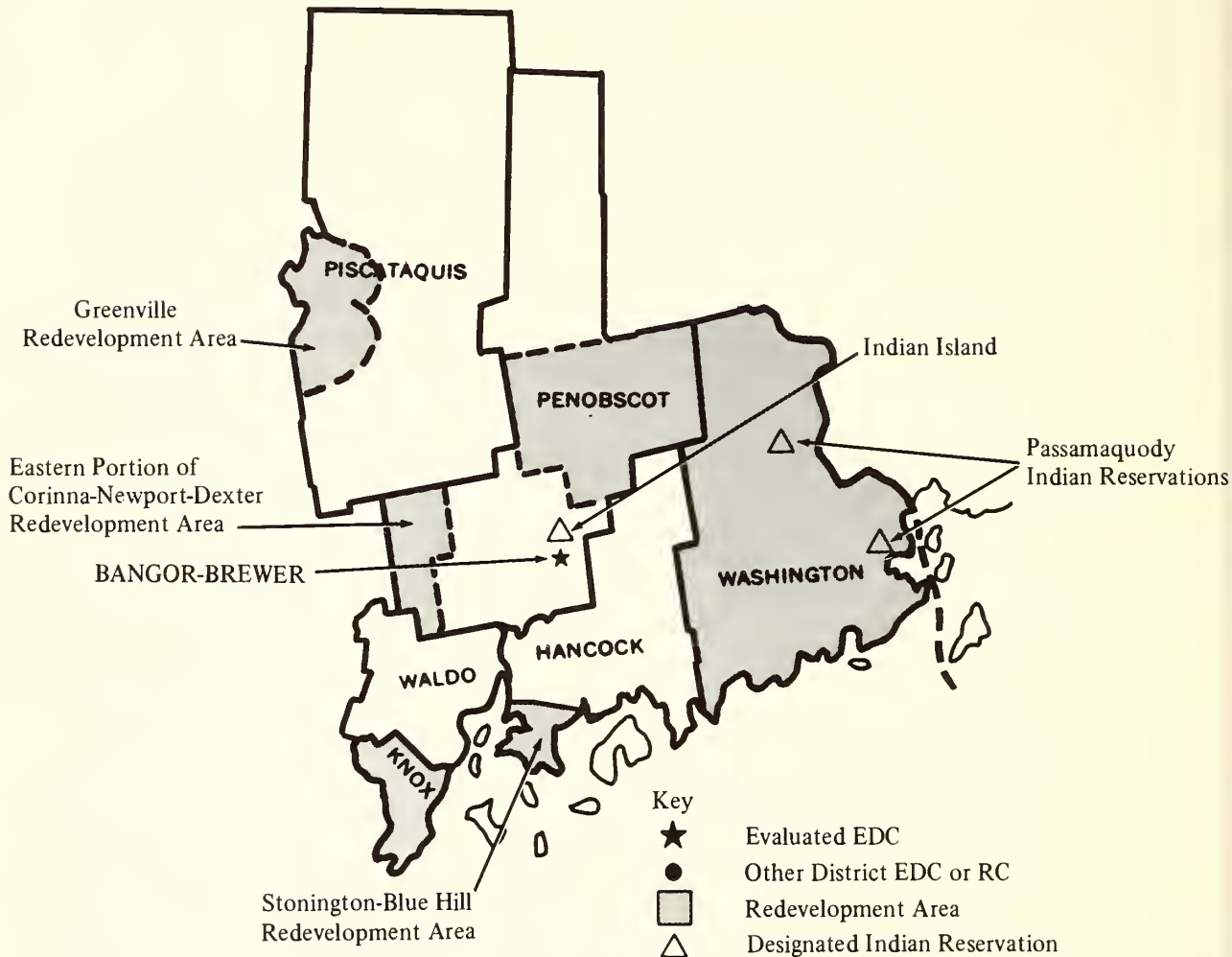
Bangor-Brewer, Maine, a city with a population of 42,468, is the one designated economic development center of the six-county Eastern Maine Economic Development District. Technically two distinct municipalities sitting astride the Penobscot River, Bangor-Brewer functions as one unit, economically and socially.

Both the center and district were first designated by EDA on March 13, 1968. Redevelopment areas included in the district are the entire counties of Washington and Knox; four labor areas designated on the basis of sudden rise in unemployment; and Indian Island, a State of Maine Indian reservation. These areas, which are identified in Figure 3, are, with the possible exceptions of Indian Island and the small labor areas of Lincoln in northern Penobscot County, isolated from Bangor-Brewer by distance and bad roads. EDA field evaluators visited the district in March 1971, to evaluate the impact of EDA projects, PAP effectiveness, the local development process and the district organization.

a. EDA Project Impact

At the time of the evaluation, three major projects had been completed in the growth center. Two others, the Bangor International Airport Terminal and the Brewer Industrial Park were in the design and construction phases, respectively. Two of the

FIGURE 3
EASTERN MAINE ECONOMIC DEVELOPMENT DISTRICT



three completed projects were business loans to Eastern Fine Paper Co. and Chapman Precision Products, companies that otherwise would have gone out of business. The third project was a feasibility study for an industrial park at the airport in Bangor.

Job impact, as outlined in Table 5 has been moderate within Bangor-Brewer. The total number of EDA-attributable jobs is 450. However, not one of these went to a present or former resident of a redevelopment area, and only 76 jobs went to previously unemployed or underemployed residents of the center itself. EDA investment per job in Bangor-Brewer is \$4,111.

Brewer, where Eastern Fine Paper Co. is located, is a one-industry town, and the shutdown in March of 1968 of Eastern Fine's predecessor company with its 700 employees was a blow to

TABLE 5

EDA PROJECT IMPACT IN BANGOR-BREWER

EVALUATION CATEGORY	EASTERN FINE PAPER CO.	CHAPMAN PRECISION PRODUCTS	TOTAL
Project Cost	\$2,650,000	\$609,000	\$3,259,000
EDA Participation	1,550,000*	300,000	1,850,000
Percent Occupied or Operational	100%	100%	
EDA-Attributed Jobs	413 (saved)**	37 (saved)	450 (saved)
EDA-Attributed Jobs to RA Residents	0	0	0
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	74	2	76
GC Residents	74	2	76
RA Residents	0	0	0
EDA Investment Per Job	\$ 3,753	\$ 8,108	\$ 4,111
EDA Investment Per RA Job	--	--	--
Yearly Salary Generated	\$3,000,000+	\$200,000	\$3,183,200

* A subsequently approved \$300,000 working capital guarantee is not included in this figure.

** Includes 16 secondary jobs in firms serving Eastern Fine.

+ Includes salary generated from secondary jobs in firms serving Eastern Fine. Yearly salary for secondary jobs was based on estimated rates of \$5,200 per year.

the city's economy. The firm, which reopened with EDA's help six months later, purchases supplies from two RA companies, both of which maintain they could dispose of their products elsewhere. Thus, employment at these firms is not attributable to EDA. Local shipping and warehousing outfits, however, indicated that 16 jobs were saved as a result of Eastern Fine's reopening.

EDA's \$300,000 business loan to Chapman Precision was designed to enable the company to move from its Old Town location to new industrial space at Bangor International Airport, purchase new equipment, diversify its product line, and expand employment to 153 persons. Two years from approval date of the loan, Chapman's work force was 37 persons, a slight decrease from the 42 employed when the loan was made. Approximately 12 percent of the employees were unemployed or underemployed prior to taking jobs at Chapman. Virtually all supplies are purchased from outside the state and 95 percent of all products are sold to a single manufacturer in Connecticut.

EDA's \$9,000 grant funding a study of optimum land use at the former Dow Air Force Base was partially responsible for the location of a bank in Bangor's air industrial park. This bank is staffed by eight employees, all of whom reside in the growth center; it purchases no supplies from redevelopment areas.

Future impact of EDA's investments in Bangor-Brewer was estimated on the basis of expansion and construction plans of EDA-associated firms. Expansion at Eastern Fine and completion of the new air terminal at Bangor International Airport are expected to generate approximately 45 jobs. (This figure is based on employer plans and a discounting system discussed in Appendix A). Since construction on another project, the East-West Industrial Park, had not yet begun at the time of the evaluation, no employment projection can be made. When the figures for future employment are included in the aggregate for Bangor-Brewer, EDA's total investment is 3,502,000 and the Agency's investment per job increases to \$7,074.

b. PAP Effectiveness

Because the PAP Committee in Bangor-Brewer was recently restructured, its members are in the process of defining their functions and goals. The original PAP document was primarily a listing of on-going community activities that would have been conducted in the absence of the PAP. The new committee views itself as a vehicle for improved communication within the growth center and as a group that may help identify problems. So far, there have been no visible accomplishments. One new program mentioned in the first PAP proposed bus service to low-income housing areas in the city. This effort was attempted, but proved unworkable primarily because of cost.

The district staff and some members of the Committee are aware that, as a growth center, Bangor-Brewer should be serving poorer areas of the district. However, they indicated that the distance between those areas and the EDC, combined with Bangor-Brewer's problems of poverty and unemployment, make it unlikely that the center will provide significant assistance to RA residents.

c. Role of the District Organization

Since the Eastern Maine Development District's designation, the district staff has been actively involved in development activities in the area. The staff allocates its time according to need and, in fact, maintains a full-time staff member and field office in Washington County, the largest RA. It is managing a Law Enforcement Assistance Grant and working with the state planning agency to rationalize conflicting substate boundaries.

The staff is serving the district effectively in the areas of grantsmanship, planning, and communications. Its members view the growth center strategy as useful in theory but largely unworkable because of the district's size and road system. Because the staff has received limited and conflicting guidelines on the PAP and growth center strategy, it has done little to implement the policy.

District board members appeared to have no conception of the growth center strategy. Each is primarily concerned with the needs of his own county.

d. Status of the Economic Development Process

Perhaps the major cause for the change in attitudes toward development and community problems in Bangor-Brewer was the closing of Dow Air Force Base in 1968. An important source of income and consumers, its abrupt deactivation and the consequent departure of approximately 8,000 servicemen and dependents shocked the community. Residents suddenly realized that the employment and population losses occurring in other New England towns might also occur in Bangor-Brewer, and attitudes toward development activities became more favorable. After Dow's closing, the city was deeded a substantial portion of its land, including an air strip which is being developed as an air industrial park.

The banks remain generally conservative in their lending policies, but the city governments are taking steps to bring in federal programs. Bangor has some low-income housing, an urban renewal project and a manpower training program. Brewer, smaller and a bit more cautious, recently turned down urban renewal, but is developing an industrial park with EDA funding.

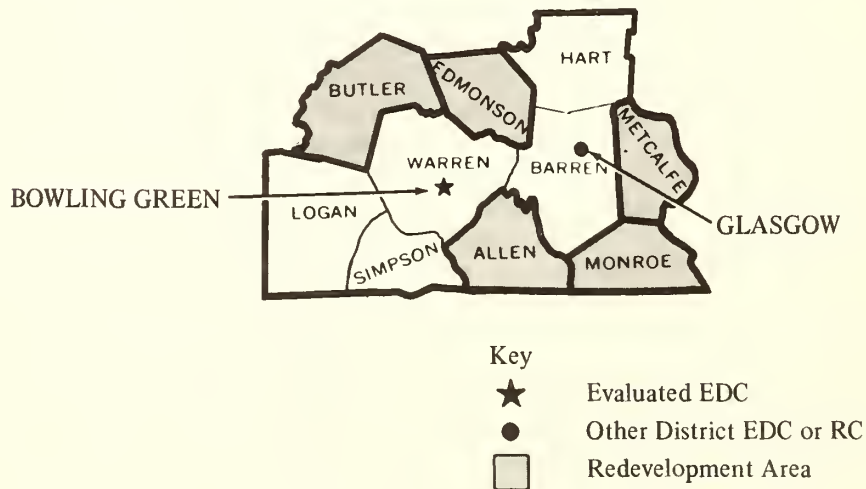
Residents of this area of the country are generally resigned to the existence of poverty. Citizens of Bangor-Brewer are no different. Statutes remain on the books that allow Bangor to return welfare recipients to their county of origin, provided they are given bus fare and spending money. It is generally felt that any willing worker can make a living somehow, even by chopping wood and digging clams. Center residents, especially its merchants, view outlying areas as markets for goods and services distributed through Bangor-Brewer. They feel no responsibility to assist economically distressed area; the problems of unemployment and low income within the center itself occupy all available resources.

3. Bowling Green, Kentucky

Bowling Green is the primary economic development center of the Barren River Area Development District (BRADD). BRADD, which is depicted in Figure 4, is located in south central Kentucky on the Tennessee border. It consists of ten counties, five of which are designated redevelopment areas. This multi-county area was first designated as a development district by EDA on January 7, 1967. Bowling Green and the secondary EDC of Glasgow in Barren County received growth center designation at that time as well.

FIGURE 4

BARREN RIVER AREA DEVELOPMENT DISTRICT



Warren County, within which Bowling Green is located, is bordered on three sides by the redevelopment area counties of Butler, Edmonson, and Allen. The U.S. road system appears adequate, and one Interstate Route passes through the county from south to northeast. Daily commuting to jobs in Bowling Green is common among residents of the redevelopment areas.

a. EDA Project Impact

Although listed in EDA's project directory as three distinct projects, the Agency's assistance in Bowling Green has primarily been for the improvement of one industrial site. Water and sewer lines were extended to a location just outside the city at a total cost of \$1,812,000, of which \$1,504,000, or 83 percent, was funded by EDA. Forty percent of EDA's investment was a public works grant, while the remaining 60 percent was a public works loan. The project was originally designed to attract Chrysler Corporation to Bowling Green. In fact, it was this project which first sparked interest in a development district. The area's EDR, seeing a prospective project, recommended that Bowling Green apply for designation as a growth center. Before this could be done, a district board had to be formed; a staff hired; an OEDP and PAP prepared.

To accelerate the project application process, a group of interested businessmen began collecting the information needed even before the new staff was able to develop an OEDP. The vice-president of the local bank was assigned the task of preparing a Positive Action Program.

With the promise of new water and sewer facilities, the Chrysler Corporation did decide to locate its Airtemp facility for the manufacture of commercial air conditioning equipment in Bowling Green. In March of 1969, the personnel director for the new plant arrived to begin hiring for production start-up in January 1970. The district's executive director, seeing an opportunity to address some of the employment problems in outlying rural counties, approached the Chrysler personnel man and requested that he recruit in some of these areas. At the director's urging, a series of one-day interviews for prospective employees was conducted in nine small towns outside of Bowling Green. This covered three of the five RA's. Application blanks were left in all places, and an advertising campaign was conducted in county newspapers, on radio, and TV. Although it is Chrysler's policy to hire members of minority groups and the economically disadvantaged, the personnel manager indicated that he would not have made this sort of outreach effort except under the guidance of the development district director.

Approximately 40 percent of the 600 EDA-attributed jobs are held by present or former residents of RA's. All employees were given an intensive training program that last 8 to 13

weeks, depending on the skill level of the prospective job slot. This program combined voc-tech and on-the-job training. Twenty-seven percent of the employees have less than a high school education and 9 percent are black. Annual payroll resulting from this establishment is approximately \$4,179,000. The operation has had diversifying and stabilizing effects on employment in Bowling Green: first because its product is unique; and second because it is a job-shop rather than an assembly-line plant. This requires higher skills and wage levels. The labor is unionized and wages are therefore on a standard scale.

Table 6 summarizes job impact from the Chrysler project. Although present facilities are 100 percent operational, expansion is planned which would provide up to 2,200 jobs by 1973. There is some service impact to other industries as a result of this project. However, it has not resulted in expansion of employment.

With the exception of a few fire hydrants, Chrysler is the only user of the new water line. However, there have been approximately 50 hookups to the new sewer line. Most are small businesses and commercial establishments that formerly used septic tanks. According to the Northside Water District - applicant and manager of the facilities - all of these beneficiaries could have continued using septic tanks indefinitely, and have not expanded because the new facilities were made available to them.

The expansion planned by Chrysler would result in 1,600 new jobs. The plant is complete, but hiring for these new jobs had not begun at the time of evaluation. Therefore, the discounting system described in Appendix A allows 1,200 of these jobs to be counted as future employment. Including these future jobs lowers EDA's investment per job for Bowling Green to \$836.

b. PAP Effectiveness

As indicated above, Bowling Green's PAP, which has never been updated, was written by the vice-president of a local bank. It is essentially a Chamber of Commerce-type brochure on the good points of Bowling Green; it contains no new action proposals. The PAP was approved by EDA in the fall of 1968. Recently, the district staff has been working on a PAP for the secondary growth center of Glasgow and has had some difficulty in getting approval from EDA Washington. This is a somewhat puzzling experience, according to the executive director, since the first PAP for Bowling Green, which was put together with very little effort, was quickly accepted.

Virtually no one in Bowling Green was familiar with the PAP. There was no committee for its implementation, and the growth center government has neither discussed nor endorsed the concept that Bowling Green should help surrounding counties. It was after the PAP was submitted that the executive director, Chrysler, the CAP Agency, and the Employment Security Office agreed to work together in recruiting employees from RA counties.

TABLE 6

EDA PROJECT IMPACT IN BOWLING GREEN

EVALUATION CATEGORY	INTERCEPTION SEWER, WATER MAIN, SEWAGE COLLECTION SYSTEM (CHRYSLER)
Project Cost	\$1,812,000
EDA Participation	\$1,504,000
Percent Occupied or Operational	100
EDA-Attributed Jobs	600
EDA-Attributed Jobs to RA Residents	237
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	149
EDC Residents	87
RA Residents	37
EDA Investment Per Job	\$ 2,507
EDA Investment Per RA Job	\$ 6,346
Yearly Salary Generated	\$4,179,000

A significant number of on-going programs in Bowling Green address the needs of the center's poor and unemployed population. The CAP Agency even has branch offices in some of the outlying counties. This concern, however, is completely incidental to the PAP requirement, which is regarded as a nuisance.

c. Role of the District Organization

The staff of the Barren River Area Development District is extremely competent, and has succeeded in managing other federal and state grants in addition to EDA's (e.g., LEAA, State Bureau of Outdoor Recreation, and Public Service Careers grants). The staff has provided technical assistance to all the counties of the district, and redevelopment area leaders indicated they could rely on the executive director to travel to their communities whenever he was needed.

The staff has arranged training in budgeting and financial techniques through Western Kentucky University for municipal governments throughout the district. It has also secured the cooperation of Bowling Green's housing authority in helping some of the small communities in the area face their own public housing problems.

BRADD was the one district visited by the evaluation team where significant employment impact on RA's from a growth center project was achieved or attempted. As discussed above, this resulted from the executive director's work with Chrysler's recruiter in seeking job applicants in the RA's. This effort had nothing to do with the PAP and did not involve a community-wide commitment to helping the RA's. It was the result of a concentrated effort for a limited period of time and for a very specific purpose - jobs to RA county residents.

When queried on the subject of EDA's "growth center strategy," the executive director observed that it was difficult to apply any kind of priority or strategy when funding depends almost exclusively on the decisions of EDA Washington over which the district has very little influence.

The OEDP submitted by the Barren River District sets priorities, however, and these include the need to make Bowling Green more accessible by improving the district's road system. Coupled with the fact that the district organization has succeeded in mobilizing some of the resources available in Bowling Green to the benefit of the RA counties, this suggests an above-average grasp of the whole "growth center concept."

d. Status of the Economic Development Process

Development activities in Bowling Green result from an interesting mix of circumstances. The local Chamber of Commerce acquired a new manager during the 1960's who is recognized as one of the most effective Chamber administrators in the country. Repeatedly, this individual was cited as being a major factor in changing attitudes and in actually locating industry in the city. In the past, members of the Industrial Foundation - the city's industrial development group - had actually been discouraging industrial prospects from considering location in Bowling Green. Some established interests felt that discouraging new industry would hold down wages and insure an adequate labor pool. But new management of the Chamber helped change this situation.

Another frequently cited cause for changing attitudes was the shift in city government from a mayor-council to the city-manager form of administration. Bowling Green has traditionally been a conservative community which refused to turn tax money back to the city for public improvements. After its first sewer and water facility construction, 30 years elapsed before any substantial extensions or improvements were made. This year for the first time the city has established an engineering department.

The federal dollar has been another important influence in changing attitudes and conditions in Bowling Green. In 1969 alone, \$9.3 million in federal grants and loans flowed into the city. There is an active Model Cities Program which has cooperated with the Bowling Green vocational-technical school to provide skill training for ghetto residents. Two low-income housing projects have been funded, and HUD has provided assistance to the City-County Planning Commission. In addition, an urban renewal project is gradually renovating some of the oldest and worst sections of the downtown area.

Over the last 10 years, industrial jobs in Warren County have doubled, largely because of new industry location. The city has encouraged this sort of development by improving industrial land, building shell structures, and leasing space to interested industry. In this way, new industry is freed from property tax burdens. It is interesting to note, however, that the city has supplemented its revenues with an "occupational tax," which is essentially an income tax imposed on all who work in the city, whether or not they live there. Since there is substantial commuting to Bowling Green, this adds significantly to municipal income - at the expense of the labor force rather than the employers.

Because Warren County is contiguous to three RA counties and Bowling Green is within a 30- to 45-minute drive of those, there is considerable commuting for shopping and services as well as work. Official communication among the district's towns is almost exclusively limited to that involving the district organization. Those interviewed commented that rivalry was more characteristic of relationships among counties and towns than was cooperation. EDA's growth center strategy appears to have had little impact on the development process in Bowling Green, except in connection with the Chrysler project.

4. Corpus Christi-Aransas Pass, Texas

Corpus Christi, Texas, was designated as EDA's first economic development center in December 1966. In September 1968, the boundaries of the center were extended to include the city of Aransas Pass, located approximately 20 miles northeast of Corpus Christi. Aransas Pass had a 1970 population of 5,813 which represented a 16.4 percent decrease since 1960, while Corpus Christi's 1970 population was 204,525, an increase of 22 percent during the 1960-1970 decade.

The Corpus Christi-Aransas Pass area serves as one of two growth centers for the 20-county Coastal Bend Economic Development District, which is illustrated in Figure 5. It is approximately 70 miles from the nearest redevelopment area and 80 miles from the nearest redevelopment area community with a population exceeding 1,000. The growth center area was examined by an EDA evaluation team between March 18 and March 26, 1971.

a. EDA Project Impact

At the time of the evaluation, four EDA public works and business loan projects in the Corpus Christi-Aransas Pass growth center area were 90 percent disbursed. In addition, a \$60,000 EDA technical assistance project to study the district's tourism-recreation potential had been completed, and the Coastal Bend Economic Development District staff had received \$136,000 in EDA planning grant funds. The public works and business loan projects, which represent \$1,127,000 in EDA funds consist of:

- . a \$125,000 public works grant to the Southwest Research Institute for the procurement of scientific equipment for marine laboratories;
- . a \$234,000 public works grant to the Nueces County Navigation District for the construction of a deep sea oil terminal for loading tankers;

FIGURE 5

COASTAL BEND ECONOMIC DEVELOPMENT DISTRICT



- . a \$410,000 business development loan to the Sheraton Marina Inn, Inc., for the construction of a hotel-motel facility to accommodate the Corpus Christi tourist trade; and
- . a \$358,000 business development loan to Coastal Freezing, Inc., a shrimp plant located in Aransas Pass, to expand its freezing and processing capacity.

Another partially completed project, a water industrial park, representing \$650,000 in EDA funds, has already resulted in the creation of employment opportunities in Corpus Christi.

EDA assistance to these projects has resulted in the creation of 219 direct jobs, which represent approximately \$1.6 million in yearly salaries. None of the direct jobs were taken by residents of EDA-designated redevelopment areas. However, 13 jobs were filled by former RA residents. In an area where approximately half the population is Mexican-American, less than 15 percent of the EDA-created jobs went to members of that minority group.

At the present time, EDA's investment per job in the Corpus Christi-Aransas Pass area is \$5,367. The Agency's investment per job to present and former redevelopment area residents is \$86,154. Table 7 on the following page presents other data on the four completed public works and business loan projects in the Corpus Christi-Aransas Pass area.

The Sheraton Marina Inn and Coastal Freezing are both planning expansions. On the basis of these plans, 32 future jobs can be credited to EDA, lowering the Agency's investment per job to \$4,657. Benilite, the only firm presently located in the water industrial park, is also planning to increase employment. Use of the discount factor allows the attribution of 13 new jobs in connection with this expansion. The cost of the EDA project and Benilite's future jobs were not incorporated in the future impact figure above. Since the park itself is still incomplete, it would be misleading to compare Benilite's employment against total project cost.

b. PAP Effectiveness

The Corpus Christi city manager's staff prepared the first Positive Action Program (PAP) for that community shortly after EDA's March 1968 announcement requiring such a document. This initial PAP was not approved by EDA, which requested additional information on the city's programs to assist unemployed and underemployed persons. The PAP that eventually received EDA approval was the Corpus Christi city manager's rewritten version of a document prepared by a member of the Coastal Bend Economic Development District staff. It included information on both Corpus Christi and Aransas Pass. No specific committee was organized to develop the PAP, and no official action has been taken by the city council.

TABLE 7

EDA PROJECT IMPACT IN CORPUS CHRISTI-ARANSAS PASS

EVALUATION CATEGORY	SOUTHWEST RESEARCH	COASTAL FREEZING	SHERATON MARINA INN	DEEP SEA OIL TERMINAL	WATER INDUSTRIAL PARK (Not Com- pleted) BENILITE	TOTAL
Project Cost	\$250,000	\$550,000	\$2,935,600	\$ 462,000	\$1,300,000	\$5,497,600
EDA Participation	\$125,000	\$358,000	\$ 410,000	\$ 234,000	\$ 650,000**	\$1,777,000
Percent Occupied or Operational	100%	25%	100%	100%	Not Completed	
EDA-Attributed Jobs	3*	14	43	150	9**	219
EDA-Attributed Jobs to RA Residents	0	0	3	10	0	13
EDA-Attributed Jobs to Formerly Unem- ployed and Underem- ployed Persons	0	5	11	25	3	44
GC Residents	0	5	10	20	3	38
RA Residents	0	0	0	0	0	0
EDA Investment Per Job	\$ 41,666	\$ 25,571	\$ 9,534	\$ 1,560	Not Relevant	\$ 5,367
EDA Investment Per RA Job	--	--	\$ 136,667	\$ 23,400	Not Relevant	\$ 86,154
Yearly Salary Gener- ated	\$ 19,000	\$ 95,000	\$ 164,000	\$1,248,000	\$ 84,000	\$1,610,000

* Not included in aggregate figures

** Not included in investment per job for this chart

The Corpus Christi-Aransas Pass PAP identifies no significantly increased commitments to the unemployed and underemployed residents of district redevelopment areas. In fact, the only new commitment is directly linked to an EDA project. With the exception of that commitment by one of the firms benefitting from an EDA-financed water system, all of the activities identified in the PAP as having an impact on the poor are:

- . components of ongoing programs; or
- . efforts that would have been undertaken in the absence of the PAP.

Moreover, representatives of the organizations responsible for the implementation of such programs are not familiar with the PAP or its objectives.

The one new commitment to helping unemployed and underemployed residents of redevelopment areas has not yet been realized. More closely related to a specific EDA project than to the PAP, this commitment involves "advertising and extending preferential recruiting and hiring to the unemployed and underemployed of the redevelopment area counties." The firm that made the commitment had taken no action at the time of the field evaluation. However, as a result of discussions with the evaluators, the firm formally advised its contractors to seek "trainable unemployed and underemployed" from the four redevelopment area counties in the Coastal Bend Economic Development District.

c. Role of the District Organization

The district organization has played a minimal role in implementing the growth center strategy with respect to projects in the Corpus Christi-Aransas Pass growth center area. Overshadowed by larger, more heavily endowed groups such as the Regional Planning Commission, the four-man district staff has concentrated on acquiring funds for projects in the growth center area as opposed to developing a district-wide development strategy.

Of the approximately \$3.5 million in grant and loan money the staff has succeeded in acquiring for district counties, 91 percent has been absorbed in the Corpus Christi-Aransas Pass growth center area. Less than \$250,000 went directly to redevelopment areas. One explanation the district staff gave for the distribution is that the redevelopment area counties are unwilling or financially unable to support economic development. In August 1970, Corpus Christi was ravaged by Hurricane Celia and since that time, the district staff has spent close to 100 percent of its time working in the growth center area.

Only token attempts have been made by the staff to influence EDA-associated employers to recruit and hire unemployed and underemployed residents of redevelopment areas. In absolute numbers, the growth center area has more unemployed and underemployed residents than do the four EDA-designated counties, and the district staff questions the logic and reality of obtaining commitments from the growth center and EDA-associated employers to assist the jobless and underemployed residents of other counties before their own target population has been served.

The district board is an ineffective group which meets only once a year. The five-member executive committee meets quarterly, but appears to function only as a rubber stamp for district staff plans and activities. Neither group has any understanding of the growth center strategy articulated by EDA, and their concept of the district strategy is only slightly clearer.

d. Status of the Economic Development Process

In both Corpus Christi and Aransas Pass, certain segments of the business community are interested in and working to promote economic development. During the past five years, new development groups devoted to attracting industry were organized in both cities. With the lowering of interest rates, local banks are becoming more involved in development-oriented activities.

A significant portion of the power structure and the general population, however, is more interested in maintaining the "status quo" than in developing economically. This is particularly true in Corpus Christi, where local citizens refused to assist a prospective employer of considerable size. The damage caused by Hurricane Celia in August 1970 resulted in a flurry of activity; however, it was primarily aimed at restoring businesses and infrastructure to pre-storm status.

During the past five years, the number of programs designed to help Corpus Christi's poor and minority group population has increased considerably. However, even with the increase in both local and federal programs of this type, only a minimum is being accomplished. Data obtained by Community Action Program staff members in 1970 revealed that residents of Corpus Christi's poverty belt fare no better than in 1960. Target neighborhoods are still marked by high unemployment, low income, substandard and crowded housing, limited education, little mobility, and increased ethnic isolation. Corpus Christi's schools still do not meet federal integration requirements, and the community has become polarized over the issue.

Aransas Pass, which has a similar racial composition - 55 percent Mexican-American, 45 percent Anglo, and 5 percent black - has a somewhat better record. Among the programs initiated to benefit poor persons are public housing, urban renewal (which

Corpus Christi's citizens refused to approve), and low-income housing. Moreover, the town's schools were integrated in the 1950's, and racial problems have been minimal. EDA activities and projects have not resulted in any meaningful impact on the poor and minority group members in either Aransas Pass or Corpus Christi.

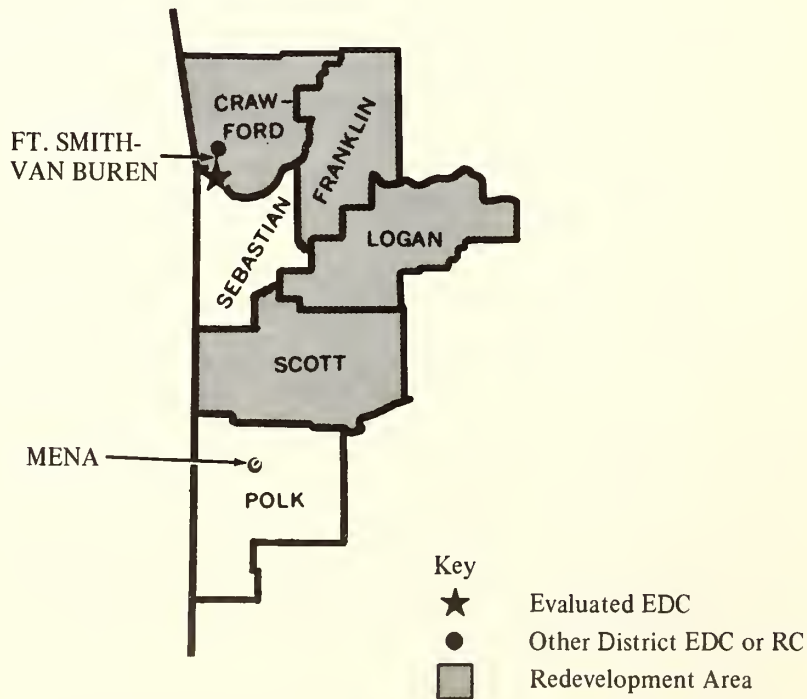
No concern is evidenced by residents of the Corpus Christi-Aransas Pass growth center area about the needs of persons who live in the four EDA-designated redevelopment areas.

5. Ft. Smith, Arkansas

Ft. Smith, Arkansas, is the primary economic development center of the Western Arkansas Economic Development District (WAEDD). The district, which was incorporated in August of 1966, is depicted in Figure 6. The WAEDD consists of six counties grouped along the Oklahoma border in west central Arkansas. Four of these are redevelopment areas, and two are eligible for grant assistance under Title I of the EDA act.

FIGURE 6

WESTERN ARKANSAS ECONOMIC DEVELOPMENT DISTRICT



Ft. Smith, which was designated as an EDC in June 1967, is located in Sebastian County and is the largest city in a 100-mile radius, with Little Rock to the east and Tulsa to the west. It is completely surrounded by RA counties. Sequoyah and Le Flore, both in Oklahoma, are to the west; and Crawford, Franklin, Logan, and Scott complete the circle.

Ft. Smith acts as a center for many government services and trade activities. The Employment Security Division estimates that 35 to 50 percent of the town's work force commutes from outside the city limits. The east-west Interstate Route passing through the growth center facilitates such commuting. Hospital, banking, and educational facilities also serve a wide geographic area, and the Ft. Smith newspaper is the third largest in the state, with subscribers in 14 surrounding counties. EDA evaluators conducted field work in Ft. Smith during March of 1971.

a. EDA Project Impact

EDA has obligated \$3.1 million for 6 projects in Ft. Smith as compared with approximately \$4 million for 15 projects in the district's RA's. Three of the growth center projects were completed at the time of evaluation. The first Ft. Smith project was approved in June 1967, and involved the construction of a "scientific library" with an EDA cost of \$627,000. Justification for this project was twofold. A computer terminal in the library was expected to provide services to technology-based industries already in the area, and the library itself was described as a facility that would improve public services and make Ft. Smith more attractive to new industries.

Although space was set aside for the terminal, it has never been installed. The installation fee and monthly rental charges cannot be funded by EDA because of its restriction on rental equipment, and the city has not yet assumed the cost. Even had the computer been installed, however, its utility would have been questionable. Firms without alternative computer facilities are unlikely to have the in-house capability to program their requirements for computer solution. Furthermore, Ft. Smith has a substantial computer service company which local industry already uses heavily.

The project's public service impact is also difficult to verify. The district director suggests that one industry located in Ft. Smith because, in addition to the basic requisites for a profitable business, the city possessed the facilities essential to an attractive quality of life. There is no evidence, however, that the library was a significant factor and, in fact, tipped the scales in favor of Ft. Smith.

Service benefits from the library to outlying RA's are minimal. It replaced an older facility but no increase in the volume of circulation has been noted. Residents of other counties must pay a small charge, and there are no mobile facilities for outreach to RA residents.

A 16-inch water pipeline has also been constructed in the growth center with EDA's assistance. This line, which has provided service to several industries, was completed for an EDA cost of \$43,190 as the first step in an \$875,000 water and street improvement project. One of the firms benefitting from the project is Hickory Springs Manufacturing Co. of Arkansas, Inc., a producer of foam rubber. Hickory Springs provides stable employment for over 200 persons and has been expanding in recent years.

With plant demands increasing, local water supply and pressure levels were nearing insurance safety margins. The situation was desperate and Hickory Springs considered leaving the Ft. Smith area. At the recommendation of the local Chamber of Commerce, Hickory Springs decided to relocate in the industrial area serviced by the new water line rather than leave Ft. Smith altogether. Thus, these jobs are attributable to the EDA investment. The firm's management would not allow the EDA evaluators to sample the labor force.

Of the other industries serviced by the water line, none located in the area or expanded operations as a result of the project. For this reason, no further jobs can be credited to the EDA investment nor will additional employment result from the future street improvements, because the industrial land serviced is already filled.

The third completed EDA project in Ft. Smith consisted of a \$380,000 public works grant to increase the water supply of Ft. Smith and nearby towns. Funded in April 1968, this project has increased the city water supply by 50 percent to 31 million gallons per day. The expansion resulted in better service to all residential and industrial users in the city and to other towns, which now may purchase surplus water. However, it is not possible to attribute any specific employment impact to the project. The one industrial "bird-in-hand" prospect linked to this project - Owens-Illinois Co. - has not located in Ft. Smith.

EDA funds have also been obligated for three other projects in Ft. Smith. These include two sewage pump stations, a day care center, and an expansion to a vocational-technical facility. The latter is a \$1.5 million project financed by the Ozarks Regional Commission, EDA, and local contributors. The facility is not in operation yet, but college administrators hope to pro-

vide training for RA residents. Unfortunately, prospective students from these places may be deterred by the tuition rates, which are double for persons living outside the growth center county. Table 8 presents additional information on the three completed projects in Ft. Smith.

At the present time, no future employment impact can be projected as result of EDA investments in Ft. Smith.

b. PAP Effectiveness

Ft. Smith submitted its first PAP in May of 1968, shortly after EDA issued its policy statement on growth centers. Funds for the library and for expansion of the city water supply had already been obligated before the PAP was written. Only the remaining four projects were approved under the PAP requirement.

Written by the district staff, the PAP listed several desirable programs:

- . expansion of the vocational education school;
- . notifying RA residents of job openings;
- . provision of bus service to RA residents;
- . more low-cost housing;
- . development of a recreation facility; and
- . CAP Agency involvement in Sebastian County.

All of these programs except the bus service are now being implemented. Some, however, had been in operation prior to preparation of the PAP, and it is the consensus of the PAP Committee and other community leaders that even the new efforts would have taken place in the absence of the PAP.

In fact, there is little local interest in Ft. Smith's role in the district and the PAP is seen simply as an administrative requirement. Most community leaders have never heard of the PAP or what it is supposed to accomplish. This appears to be a result, in large part, of lack of guidance from EDA when the PAP was being prepared.

c. Role of the District Organization

The district staff supports the growth center concept, but it is difficult to pinpoint any activities aimed at implementing such a strategy. The staff feels that EDA investments in the EDC's have had a greater impact than projects in RA's, but believe that RA projects support the development of the district and should continue to be funded. All eligible counties with the exception of Scott have received EDA projects, and all counties receive technical assistance from the staff.

TABLE 8

EDA PROJECT IMPACT IN FT. SMITH

EVALUATION CATEGORY	LIBRARY	WATER LINE AND STREET IMPROVEMENT	WATER TREATMENT FACILITIES	TOTAL
Project Cost	\$1,234,000	\$1,336,500	\$635,000	\$3,205,500
EDA Participation	\$ 627,000	\$ 43,000* (\$875,000)**	\$380,000	\$1,050,000* (\$1,882,000)**
Percent Occupied or Operational	100%	100%	100%	
EDA-Attributed Jobs	0	200 (saved)	0	200 (saved)
EDA-Attributed Jobs to RA Residents	0	No Data	0	0
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	0	No Data	0	0
EDC Residents	0	No Data	0	0
RA Residents	0	No Data	0	0
EDA Investment Per Job	--	\$ 215* (\$4,375)**	--	\$ 5,250* (\$9,410)**
EDA Investment Per RA Job	--	No Data	--	No Data
Yearly Salary Generated	0	No Data	0	0

* Based on Phase I, water line

** Based on Phase I and II - Total

Although the two growth center counties are the largest financial contributors, the RA's are well represented on the board. It appears that the RA board members are involved in making decisions and are not dominated by the growth center interests.

d. Status of the Economic Development Process

Ft. Smith is preoccupied with internal development and spillover to RA counties is incidental. This parochialism is accompanied by a lack of strong leadership. Historically conservative elements oppose a number of progressive factions which so far have been unable to join forces.

Mechanization in agriculture accounted for large declines in that sector during and immediately after World War II. Out-migration from the district resulted in a 22 percent drop in population between 1950 and 1960. When the Fort Chaffe Army Base left Ft. Smith in 1962, taking with it the last of a peak troop strength of 100,000, the community realized it had to take action.

For a short period, industrial development activities flourished and out-migration slowed considerably, but today the concern sparked by the fort's closing seems to have dwindled. The traditional interests of land, lumber, and the furniture industry are resisting change, and the local government has not produced significant new leadership to date. Issues such as zoning and public bonds have been consistently thwarted.

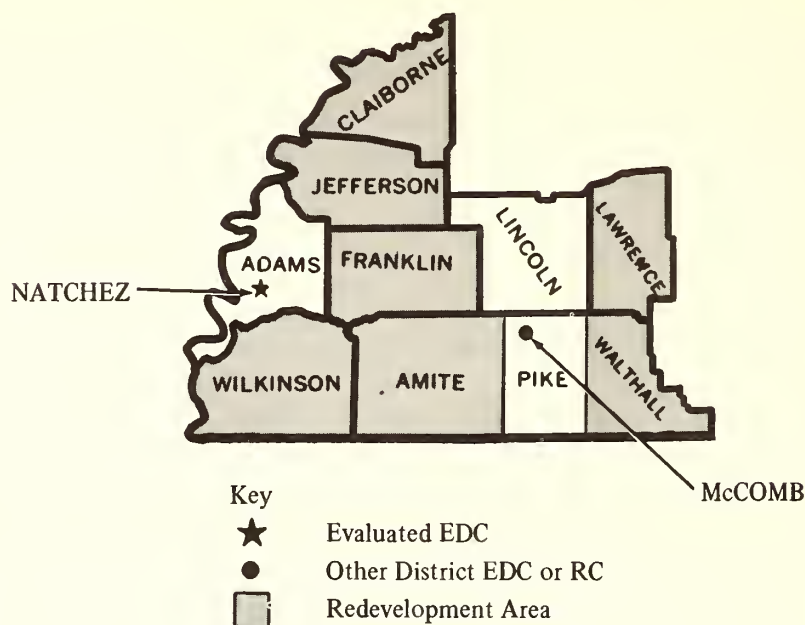
In January 1969, a city manager form of government was established in Ft. Smith. It may be that this new and unfamiliar form of government has failed to establish rapport with the public. However, even if there were more popular support and understanding of the new administration, it is not clear that attitudes or efforts toward development for the solution of community problems would significantly improve.

6. Natchez, Mississippi

The Southwest Mississippi Economic Development District (SMEDD), which is shown in Figure 7, was incorporated in January 1965, and first funded by EDA in February 1967. The ten counties of the district are grouped into two sub-districts. One group, including 2 RA counties, is clustered around the secondary EDC of McComb. The second group of 5 RA counties is oriented toward the district's primary EDC, Natchez, which was visited by an EDA evaluation team in mid-February 1971.

FIGURE 7

SOUTHWEST MISSISSIPPI ECONOMIC DEVELOPMENT DISTRICT



A city of approximately 20,000 persons, Natchez became an EDC at the time of district designation on June 6, 1967. Located on the Mississippi River, the town had enjoyed importance as a cotton exchange prior to the Civil War. However, as synthetics gradually cut into the cotton market, agriculture and trading declined, and the areas around Natchez were plagued with unemployment and low income. This situation still exists.

a. EDA Project Impact

At the time of the field work, only two projects had been completed in the Natchez economic development center. The first was a business loan to Ricks Lumber Company, Inc., for \$529,750 out of a total investment of \$1.275 million. This company was first established in Natchez in 1959. In 1968, its plant was totally destroyed by fire. Following the loss, management bought an interim yard to maintain service to customers. However, the labor force was reduced from 50 to approximately 22.

With the aid of EDA's loan, Ricks was able to build one of the most modern and highly automated saw mills in the United States. Without the loan funds, Ricks would not have been able to finance construction.

At the time of the evaluation, Ricks had 60 employees working at an average wage of \$100 per week. Additional equipment is on order, and when it is in place, total employment is expected to increase to 65. Thus, on the basis of the discount methodology, three future jobs can be credited to the project. This would lower the EDA investment per job in Natchez to \$12,927. Approximately \$850,000 per year is spent locally for timber, most of which comes from redevelopment areas.

Of the jobs that can be credited to EDA (28 saved and 10 new), five went to redevelopment area residents and two were taken by previously unemployed persons. Total annual income generated by these jobs amounts to approximately \$197,600. A summary of job impact from this project is given in Table 9. Since the jobs were an expansion of existing employment, they cannot be considered as a diversification of the economic structure.

The second project, a \$25,000 technical assistance feasibility study, involved investigating the possibility of expanding existing port facilities on the Mississippi River. The Natchez port, which was built with city and county funds, is used primarily by International Paper Company for its pulp traffic. Cost to users is based on actual operating expenses and as a public facility, it is tax free. Thus, costs to International Paper are lower than if the company maintained its own facilities.

The feasibility study was initiated because the port has only one loading point, and could not handle any additional traffic. The study recommended the addition of a liquid shipment facility and an extension to the present wharf to permit a second loading point. However, the liquid shipment facility was built before the report was submitted, and no activities have been undertaken to finance the other expansion. Impact due to the study, therefore, is minimal at the present time.

A final EDA project in Natchez is a \$42,000 study of improvements to the present airport. The improvements involve extending a runway to insure continued commercial air service and preparing land for commercial development. The report had not been completed at the time of the evaluation, and no employment or service benefit is foreseen for some time.

b. PAP Effectiveness

The Positive Action Program for Natchez was written by the executive director of the development district in February 1969. The director felt he had been unable to obtain sufficient guidance either from EDA-Washington or the area office in preparing the PAP. Cooperation of the State Employment Service, local school system minority group members, Chamber of Commerce

TABLE 9

EDA PROJECT IMPACT IN NATCHEZ

EVALUATION CATEGORY	RICKS LUMBER COMPANY
Project Cost	\$1,275,000
EDA Participation	530,000
Percent Occupied or Operational	100%
EDA-Attributed Jobs	38 (28 saved, 10 new)
EDA-Attributed Jobs to RA Residents	5
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	2
EDC Residents	2
RA Residents	0
EDA Investment Per Job	\$ 13,948
EDA Investment Per RA Job	\$ 106,000
Yearly Salary Generated	\$ 197,600

staff members, and city and county officials is cited in the PAP. However, no committee was instituted for its formulation or implementation.

The operators of programs mentioned in the PAP are not familiar with the document's purpose or content. Community leaders likewise know little about the PAP. Three of the four district board members from the growth center had not heard of it. The incoming president of the board, also a Natchez resident, was aware of the PAP and had some idea of its general objectives. However, he was unable to identify any of the action programs.

The action programs set forth in the PAP include construction of a new vocational-technical facility in an RA, development of industrial sites in the center, promotion of tourism, provision of employment information to RA residents, and establishment of a licensed practical nurse training program at the city's hospital.

After two years, there have been some accomplishments in the areas cited by the PAP. However, these accomplishments are not related to the PAP. Vocational-technical training facilities in Natchez do not service any RA residents, and the school mentioned in the PAP has no connection with Natchez, the PAP or EDA's growth center strategy. The one potentially significant program was a job notification system to be operated by the city. A census of available Natchez jobs was to be taken periodically and the results published in redevelopment area newspapers. Interviews with the mayor, leaders of the Chamber, and RA resident produced no evidence that these activities were ever undertaken. The State Employment Service, however, had carried out this activity prior to center designation and continues to do so. This is, of course, not a result of the PAP and is not supported by the city or county, but by the State.

c. Role of the District Organization

The district board is composed of seven representatives from each of the ten counties. Its executive committee is composed of one member from each county, plus all past presidents, and the local share of the district budget is financed by a 20 cent per capita assessment on each county. Thus, the most populous counties, which are those containing the EDC's of Natchez and McComb, are the heaviest contributors. However, this arrangement does not visibly affect policy decisions of the board or activities of the staff. The district offices are presently located in McComb, but according to the district director, this does not have a significant impact on the staff's work program

With regard to the growth center strategy, the district director states that his objective is to provide equitable distribution of staff time and effort to all district counties. This equality is sought by calling regular board meetings throughout the district. The director, however, believes that the greatest potential for significant economic development lies within the growth centers. Local conditions support this belief. Any spillover impact to the redevelopment areas is seen as desirable, but incidental.

There is some feeling, particularly in the RA of Franklin County that the district staff is overly attentive to the growth center counties. Interviewees in both Wilkinson and Franklin Counties stated that more emphasis should be placed on locating industry in the redevelopment areas. On the other hand, growth center residents oppose emphasizing the goal of providing jobs to RA residents. The fact that RA commuters find employment in Natchez, but provide no tax base because they live outside the city is particularly aggravating to Natchez residents at a time when revenues are sorely needed. At present a commuter tax is under consideration.

District staff services have consisted primarily of writing the OEDP and PAP, and helping to prepare project applications. The staff assists the centers and the RA's alike with the latter function, and, in fact, more EDA project dollars have been obligated in the RA's than the centers. The district staff does not seem to have assigned any priority to center projects or the center strategy.

d. Status of the Economic Development Process

Although the development process in Natchez has undergone some changes in recent years, none can be attributed to EDA designation or the growth center strategy. The election of a new city administration in 1968 was seen by some as an indication of more progressive attitudes.

Local leaders suggested that the Adams County government does not promote development as actively as does the city, yet even the county has supported such projects as the port improvement. The two largest banks in Natchez are taking part in development activities such as low-cost private housing, a new county water system, and the loan to Ricks Lumber Company.

The leadership of Natchez is composed primarily of businessmen, bankers, utility managers, and professional men. The remaining aristocracy, whose power is based on fortunes made in cotton, oil, and real estate, are less interested in development than are the younger community leaders. Organizations such as the Chamber of Commerce, the Industrial Development Commission, and civic groups support and often take the lead in promoting development projects. They have solicited the location of indus-

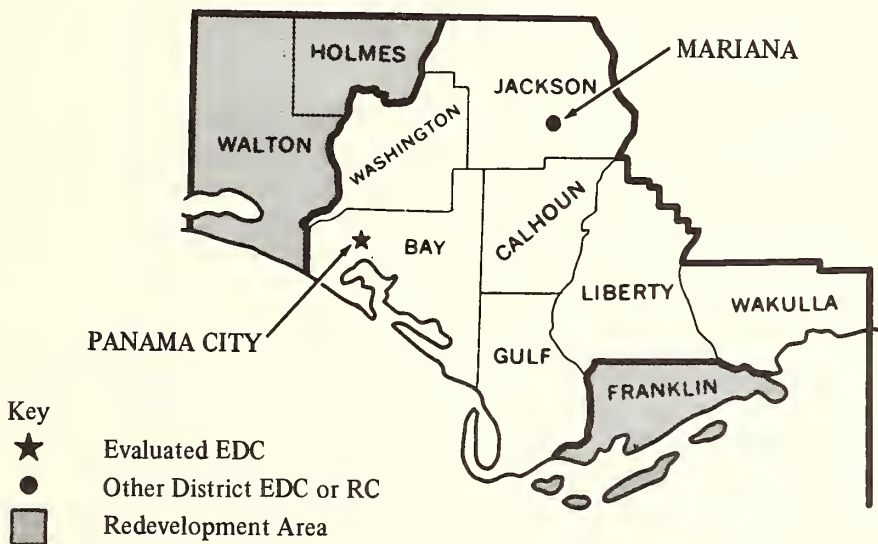
tries with some success, particularly in the cases of International Paper, and Diamond National.

7. Panama City, Florida

In April 1971, an EDA field evaluation was conducted in Panama City, Florida, the primary economic development center of the Northwest Florida Economic Development District. The district, which is depicted in Figure 8, is a 10-county area located in the northwest panhandle of Florida on the Gulf of Mexico. Two of the 10 counties - Holmes and Franklin - have had redevelopment area status for some time, and a third, Walton, has recently been qualified as an RA on the basis of a sudden rise in unemployment. The secondary economic development center, Mariana, is located in Jackson County.

FIGURE 8

NORTHWEST FLORIDA ECONOMIC DEVELOPMENT DISTRICT



Panama City, with a 1970 population of approximately 32,000, was first designated as an EDC in April 1968, at the same time the district was designated. The boundaries of the growth center extend beyond the municipal boundaries of Panama City to include virtually all gulf and bay-front land in Bay County.

The orientation of redevelopment area residents toward Panama City varies according to distance and the presence of nearer facilities. Holmes County is almost an hour's drive from Panama City. Consequently, there is little commuting to Panama City itself, although Holmes County residents do commute to the beach areas in south Walton and south Bay Counties. Franklin

County is almost twice as far from Panama City, and commuting is almost nonexistent.

a. EDA Project Impact

To date, EDA has funded only one project in Panama City. On October 14, 1968, \$2,075,000 in EDA funds were obligated for the expansion of port facilities and improvement of adjacent industrial land in Panama City. A public works grant for \$1,035,000 and a public works loan for \$1,040,000 accounted for 100 percent of the project cost. Before this expansion was undertaken, the city had two separate docking facilities: one owned and operated by International Paper Company; the other city-owned and operated through the Panama City Port Authority. The latter could accommodate only one vessel at a time.

The additional berth constructed with EDA assistance allows the port to accommodate two vessels simultaneously, and a new warehouse has provided storage space. In addition to increasing the traffic capacity of the port, the project has improved adjacent industrial land by removal of concrete foundations formerly used for shipbuilding. It was hoped that these improvements would induce the location of industry that would utilize both the industrial sites and port facilities.

At the time of the evaluation, employment impact from this project has been extremely limited, partially because construction was not completed until August 1970. The Port Authority has hired seven full-time employees, and has increased part-time employment, which is estimated as being equivalent to four new full-time positions.

A shipwrecking and salvage operation, Cove Construction Company, which has been located adjacent to the port for approximately 10 years, was able to take on 30 new full-time employees. Employment increases were due to the fact that the firm can now ship substantially more scrap metal out of the Panama City port. All of the new employees were previously out of work, and all are residents of Bay County. They received an average of three months of on-the-job training. A survey of supply firms to Cove Construction indicated that no materials were purchased in RA counties, and in fact, suppliers within Bay County attributed no expansion in their employment to Cove's increased business. A steamship agency company serving the port has hired one new employee as a result of the port project. Table 10 summarizes the project's employment impact.

At the time of evaluation, a manufacturing concern was considering location near the Panama City Port because of its shipping facilities. Original employment was expected to be 300 with expansion to 1,200 within three years after start-up. However, since construction had not yet begun and there was no firm commitment for a starting date, employment and investment per job figures for Panama City have not been adjusted to reflect this possible impact.

TABLE 10

EDA PROJECT IMPACT IN PANAMA CITY

EVALUATION CATEGORY	PORT PROJECT
Project Cost	\$2,075,000
EDA Participation	\$2,075,000
Percent Occupied or Operational	Port - 100%
EDA-Attributed Jobs	42
EDA-Attributed Jobs to RA's	0
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	42
EDC Residents	42
RA Residents	0
EDA Investment Per Job	\$ 49,405
EDA Investment Per RA Job	--
Yearly Salary Generated	\$ 210,000

b. PAP Effectiveness

Panama City's original Positive Action Program was written in mid 1968 and accepted by EDA in September of that year. It resulted from a meeting called by the mayor at the instigation of the district's executive director. Business and civic leaders were given a general presentation and asked for letters of support to attach to the PAP document. The executive director and staff prepared the actual document which was being updated at the time of the evaluation.

On paper, the PAP appears to be a straightforward attempt to address problems of low income and unemployment in the district. The action programs deal with transportation from RA's to Panama City, job placement for RA residents, extra programs for the poor and disadvantaged, etc. The most impressive aspect, however, is the number of supporting letters and their apparent grasp of the PAP's purpose. These letters employ terms almost identical to those in the PAP guidelines EDA distributes to development districts.

Interviews with those signing the supporting letters and persons responsible for various action programs suggested that the PAP is not all that it appears to be. Almost without exception, these individuals were unfamiliar with the PAP and its purposes. Moreover, none of the proposed programs was initiated as a result of the PAP.

The makeup of the district's board of directors was substantially changed in the fall of 1970, and a new committee was formed to redraw and implement the PAP. Almost all members of the new committee, which includes older members of the establishment, young professionals, one black, and two blue-collar workers, were interviewed during the evaluation. Some are quite dynamic and appear to be genuinely concerned with making the committee work. However, they have no understanding of the PAP's purpose or their role in relation to it. The consensus seems to be that the committee will serve as a citizen advisory group for any and all development efforts taking place in Panama City.

c. Role of the District Organization

The staff and executive director of the Northwest Florida Development Council and Economic Development District are satisfied with the perceived EDA growth center strategy. It has imposed few requirements on them which they would not have undertaken anyway, and they feel that their function is to help the growth center on the same basis that they help any other part of the district, designated or non-designated.

They have undertaken a reorganization of the PAP Committee as discussed above, but it is not clear that this Committee will, in fact, work to implement a strategy consistent with EDA's goals. Spreading the benefits of Panama City's growth to the redevelopment areas and non-designated counties of the district plays a minor role in the current programs of the Committee. None of the board members contacted had any knowledge of the connection between the center and the redevelopment areas.

d. Status of the Economic Development Process

In a state generally associated with lucrative year-round vacation trade, Panama City continues to face many of the problems found elsewhere in the rural south. Surrounding areas have experienced a decline in farm activity, the city has witnessed the boom and bust of war-time ship building, and was for a short time the one-industry town so often associated with large paper mills.

In the past, city administrations have exhibited a variety of attitudes toward development. Around 1960, a \$7.4 million bond issue for construction of two city marinas, an auditorium, and city hall was approved. Since that time, a more conservative administration has concentrated on balancing the city budget. The present mayor is characterized as being very "middle-of-the road."

There is some indication, however, that the genuine seat of power in Panama City lies with a few wealthy families, rather than in the visible political structure. These families control the banks and a substantial portion of local real estate. They appear to be the real motivating, or obstructing, force in the city.

In the past, International Paper Company, the largest employer in Panama City (800 jobs), wielded a great deal of power in the county. For a long period, the "company town" of Millville remained independent of Panama City, although it is now within the municipal boundaries. Another powerful, but somewhat latent economic force in Bay County are the land holders. Up to 50 percent of the county is held by St. Joe Paper Company and an oil company. This not only limits tax revenues, as this type of land carries special tax favors, but hampers development.

A surprising number of those interviewed were quite frank in discussing local attitudes, and most indicated that Panama City, its community organizations, and churches are generally unaware, unconcerned, or at least uninvolved with the problems of the poor. The situation is no different with respect to poverty and distress in the outlying areas of the district.

One factor that seems to have resulted in cooperation among Panama City leaders is the Census finding that the city's population decreased during the 1960-70 decade. This, and the threat that the Naval Research Laboratory might leave the area, have sparked interest in development activities.

EDA appears to have had no effect on Panama City's development process. However, the district staff is working with local residents on the center's own problems which must be resolved before it can really begin to serve the more distressed areas of the district.

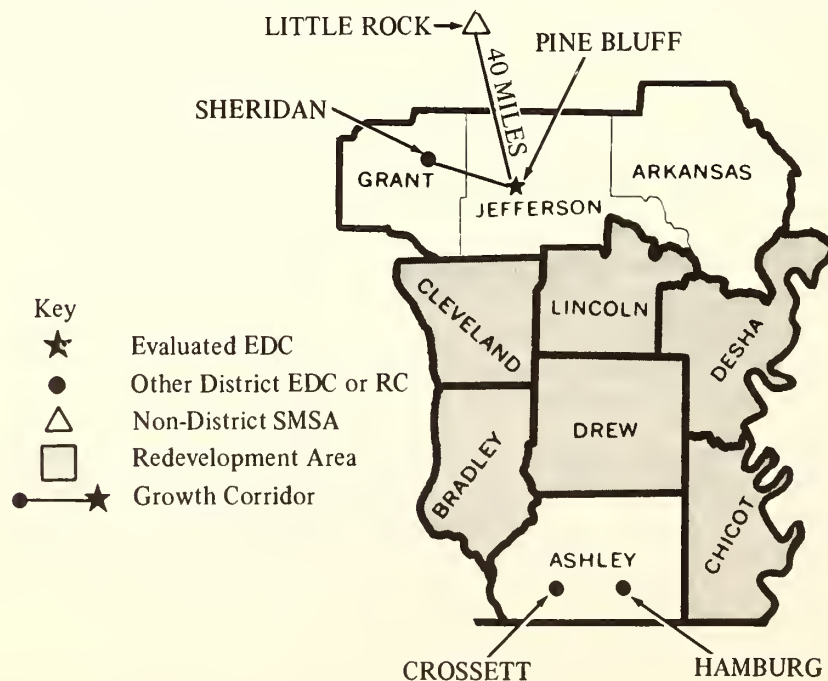
8. Pine Bluff, Arkansas

The Southeastern Arkansas Economic Development District (SEADD) was organized in April of 1967 and designated in January of 1968. Pine Bluff, was designated as the district's primary EDC at the same time. The growth center designation was extended to include Sheridan in adjoining Grant County in March of 1969, forming a growth corridor between the two towns. An additional growth center - Crossett-Hamburg in Ashley County - was designated in August 1970.

The district is a 10-county area, including six redevelopment area counties. It is depicted in Figure 9. Pine Bluff, which is located in Jefferson County 44 miles southeast of Little Rock, serves three RA counties to the south.

FIGURE 9

SOUTHEASTERN ARKANSAS ECONOMIC DEVELOPMENT DISTRICT



The 1970 population of Pine Bluff was 57,389, a 30 percent increase over 1960. A telephone survey conducted by the SEAEDD indicated that 20 percent of Pine Bluff's labor force commutes to the city from distances of up to 30 miles. Thirty percent of the district's population of 228,000 is black and 45 percent of these reside in Jefferson County.

a. Project Impact

EDA had funded two projects in Pine Bluff that were complete at the time of the evaluation. The first was a \$275,000 public works grant for an industrial park with a total cost of \$601,000. There are 500 commercial acres in the park, and 13 were occupied by three companies at the time of the evaluation. The firms are the Pine Bluff Casket, Pepsi Cola Bottling and Superior Forwarding Companies. Only the employment at the trucking company can be attributed to EDA. Both the casket company and the bottling company were formerly located in Pine Bluff and would have remained within the city even if the industrial land prepared with EDA's assistance had not been available.

Superior Forwarding Company employs 11 people with an average annual salary of \$9,634 (annual income generation of \$105,976). The firm is stable and the employment is year-round. Therefore, for the industrial park, the EDA cost per direct job is approximately \$25,000.

EDA approval in April 1968 of the Jefferson Industrial Park was followed one month later by approval of a port facility and adjacent industrial park project to be owned and operated by the Pine Bluff-Jefferson County Port Authority. A \$1.2 million bond issue for a port facility was approved by Pine Bluff voters in 1965. After the town's designation as an EDC, matching EDA funds of \$1.2 million were granted, further supplemented by a bank loan of \$800,000. The project, completed in March of 1970, includes 372 acres of prepared industrial land, 55 of which were occupied at the time of evaluation. Five public and private facilities are associated with the Pine Bluff Port. However, employment at two of these cannot be attributed to EDA.

EDA-attributable jobs were found at two terminal companies and at the Pine Bluff Sand and Gravel Company. Pine Bluff Warehouse Company, the source of 11 attributable jobs, was the successful bidder on a contract to operate the public port facilities for the Port Authority. Because of lack of business, the company would have been forced to lay off seven workers at its major warehouse in Pine Bluff if it had not received the contract. The increased business from the port facility, however, permitted Pine Bluff Warehouse not only to maintain its prior employment, but also to add four persons to its work force.

The Pine Bluff Sand and Gravel Company, under contract with the Corps of Engineers to assist in dredging the Arkansas, added six new employees to its general haulage section because of traffic through the EDA port facility.

Martin Terminals is a bulk chemical shipper, wholly owned by a Pine Bluff resident. Storage tanks and portside pumping facilities have been erected on land purchased from the Port Authority. This installation is now being enlarged. Employment, including the headquarters staff of the company in Pine Bluff, totals five persons.

The Strong Company, an indirect beneficiary of the EDA project, began as a contracting firm, but is now in the manufacture of roofing equipment. Vermiculite, part of its roofing compound, is imported from South America. Formerly this was shipped from Louisiana by rail, but the port project has enabled the company to bring the material in by barge, at a considerable saving. The owner indicated that between three and five workers would be added to his payroll within the next two years as a result of his better competitive position.

Table 11 summarizes the direct job impact attributable to the two EDA projects. All employment is in firms considered to be of intermediate stability (see Appendix A), and there has been no diversification of the economic base. Only 1 of the 33 jobs credited to EDA was taken by an RA resident; however, 5 of the 12 employees who completed EDA questionnaires were previously unemployed or underemployed residents of Pine Bluff. Neither project has improved public services, and there is no evidence of significant purchases of goods or services from the redevelopment areas by project beneficiaries. Total annual salary generated by EDA-attributed employment was estimated by the three employers to be \$242,000.

The port project probably has long-run potential, but the city had demonstrated a willingness to undertake the project before EDA assistance was available. The value of the industrial park might be questioned because the city already owned an industrial park, which is still only partially filled. In the future, expansion at the Strong Company can be expected to add 3 jobs to the number attributable to EDA. This would reduce the investment per job to \$41,139.

A water and sewer project for Sheridan, which is part of the growth center area, was approved in June 1969. Since the facility will not be operational until mid-1971, an extensive evaluation of Sheridan was not undertaken. The project will affect 2 industrial parks already serving a number of firms, but no specific impact can be projected at this time.

TABLE 11

EDA PROJECT IMPACT IN PINE BLUFF

EVALUATION CATEGORY	INDUSTRIAL PARK	PORT FACILITY AND INDUSTRIAL PARK	TOTAL
Project Cost	\$601,000	\$2,615,000	\$3,216,000
EDA Participation	\$275,000	\$1,206,000	\$1,481,000
Percent Occupied or Operational	2.6%	14.8%	
EDA-Attributed Jobs	11	22	33
EDA-Attributed Jobs to RA Residents	0	1	1
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	7	6	13
GC Residents	7	6	13
RA Residents	0	0	0
EDA Investment Per Job	\$ 25,000	\$ 54,800	\$ 44,879
EDA Investment Per RA Job	--	\$1,206,000	\$1,481,000
Yearly Salary Generated	\$106,000	\$ 136,000	\$ 242,000

b. PAP Effectiveness

Pine Bluff's Positive Action Program was accepted by EDA in December 1968. It was subsequently updated, with few substantive changes. Although a committee of 11 EDC citizens was formed to prepare the PAP, its members played only a minor role. It was written, in fact, by the deputy director of the district.

All members of the committee were interviewed and none had a clear knowledge of what the PAP was designed to do; some were even unfamiliar with the name of the program. The executive director of the district was quite frank in his assessment of the PAP as being merely a bothersome requirement for the acquisition of federal funds.

Action programs listed in the PAP concern the provision of vocational education to residents of RA's, formation of a biracial council to address minority problems in Pine Bluff, and provision of health and day care services to residents of outlying areas. Both vocational education institutions within the city pre-date the PAP and other EDA activities. No expansion of services has resulted from the PAP. The mayor's Human Relations Commission is a functioning group, but the impetus for this group was the violence precipitated by the death of Martin Luther King in the spring of 1968.

The Jefferson County Hospital, cited in the PAP as a source of health care for the RA's, offers treatment at a cost which is prohibitive for persons with low incomes. Consequently, most of these people travel to Little Rock, where they can obtain free services from the teaching hospital. Day care centers are available in Pine Bluff, but these were originated by OEO and bear no relation to EDA activities. There were frank admissions that the primary concern of Pine Bluff was for its own residents. Outlying areas were considered only as they might coincidentally contribute to the growth of Pine Bluff or Jefferson County.

c. Role of the District Organization

The district is staffed by a group of dedicated professionals. The director was once a state legislator, and has since successfully championed a bill that provides for matched-share planning money from the State. He and his staff have been effective in obtaining EDA and other federal grants not only for the growth center, but for the redevelopment areas as well.

The district staff was quite open in its opposition to the PAP requirement. The staff members said they feel it duplicates information already included in the OEDP and that no real commitment can be elicited from Pine Bluff in the absence of substantial federal dollar investments.

The staff's orientation is generally district-wide. The location of the office in Pine Bluff does not visibly affect its strategy. The goal is to distribute federal assistance throughout the counties in accordance with local ability to provide matching funds. District board members are primarily interested in their own counties and are only secondarily concerned with a "district" outlook. They help Pine Bluff in its attempts to secure federal funding and expect similar assistance for their own counties in return.

The district board is composed of 42 members, 10 of whom come from the growth center. Unlike the separate PAP Committee, it meets regularly and there is good communication among the members. The growth center strategy has a low order of priority in the board's deliberations, though it gladly supports applications filed by the EDC. One of the strongest board leaders comes from the redevelopment county of Desha. The heaviest financial contribution comes from Pine Bluff and Jefferson County, nearly \$6,000 each. However, this does not seem to affect the distribution of projects within the district, although Pine Bluff has received the most costly projects. Distribution appears to be on the basis of need and the ability to provide matching local financial support.

d. Status of the Economic Development Process

There have been some changes in Pine Bluff's economic development process in recent years. Private developers have taken advantage of HUD rent subsidy programs. About 460 units have been built; two more housing projects are in the planning stage. A city housing authority was finally created in January of this year, and the mayor, elected in 1965, is enthusiastic about prospects of extensive low-rent housing over the next five to ten years.

The Office of Economic Opportunity has funded day care centers, community centers, and a Head Start Program that serve residents of Pine Bluff and Jefferson County. An Urban Renewal Agency for the city has been established, a program begun, and a new city hall has been built in a renewal neighborhood. Local merchants have begun a face-lifting campaign for the shopping district, and the largest bank in Pine Bluff has undertaken a major renovation of its building's exterior.

The two major banks in Pine Bluff are the National Bank of Commerce, and the Simmons First National Bank. Both have been actively engaged in development activities, and each has a loan-to-deposit ratio of .60. These activities, however, have no link to the Positive Action Program, EDC designation, or other EDA activities related to the growth center strategy.

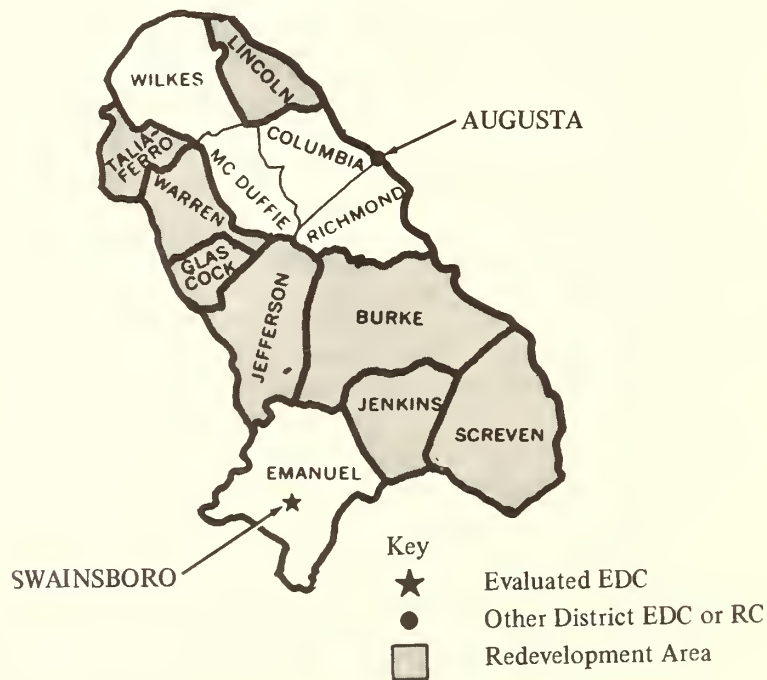
9. Swainsboro, Georgia

Swainsboro, Georgia, was designated by EDA on November 28, 1967, as the first secondary growth center in the country. This action climaxed months of effort on the part of Swainsboro citizens and the staff of the Central Savannah River Economic Development District.

As illustrated in Figure 10, Swainsboro is situated in the heart of Emanuel County, which is the southernmost county in the Central Savannah River District. In 1970, the town's population was 7,325, which compares with a population of 59,864 for Augusta, the

FIGURE 10

CENTRAL SAVANNAH RIVER ECONOMIC DEVELOPMENT DISTRICT



district's primary growth center. Eight of the thirteen counties in the district are EDA-designated redevelopment areas, and three of these are located within a 20-mile radius of Swainsboro. However, the largest municipality in each of the redevelopment area counties is at least 30 miles from Swainsboro. A three-man EDA evaluation team conducted field work in Swainsboro between February 21 and February 28, 1971.

a. EDA Project Impact

Two EDA projects have been completed in Swainsboro since its designation and another is approximately 30 percent finished. The completed projects consist of:

- . a public works grant and loan for the development of a 525-acre industrial park (Magic Mall), four-lane access highway, and related improvements; and
- . a business loan to a manufacturing firm (Keller Stamping & Electric Co.) located in the Magic Mall Industrial Park.

The partially completed project is:

- . a public works supplementary grant in support of a \$1 million water and sewer extension project financed by the Federal Water Quality Administration and the Swainsboro city government.

As a result of EDA assistance to these projects, 387 jobs have been created or saved in Swainsboro. Approximately eight percent of these jobs have been taken by present or former residents of redevelopment area (RA's). This represents an EDA investment of approximately \$58,000 per job to an RA resident. Table 12 presents data on each of the projects.

Approximately 30 percent of the jobs attributable to EDA have been filled by members of poor households, while 27 percent are held by members of minority groups. In addition, 59 percent of the jobs are held by heads of households. Moreover, approximately \$20,000 more a year is spent in RA counties by local residents as a result of these jobs.

The secondary effects of the three EDA-assisted projects have been minimal. No suppliers or buyers have located in the area as a result of the projects. However, one firm whose location in the vicinity was partially attributable to the industrial park project purchases approximately \$115,000 worth of timber a month. Approximately 60 percent of this timber comes from Emanuel County, but the remaining 40 percent is primarily from the redevelopment area counties of Burke, Jenkins and Jefferson. The other industries purchase only utilities and clerical supplies locally.

The majority of the employees at EDA-associated plants who were previously employed have increased their incomes. Wages paid by employers located in the Magic Mall average 10 to 15 cents above the minimum hourly wage of \$1.60. Training is confined to on-the-job instruction. To date, attempts to provide more formal training through the Swainsboro Vocational-Technical School have failed because the school's instructors lack expertise in the relevant technologies.

TABLE 12

EDA PROJECT IMPACT IN SWAINSBORO

EVALUATION CATEGORY	MAGIC MALL INDUSTRIAL PARK	KELLER STAMPING & ELECTRIC CO.	WATER AND SEWER EXTENSION	TOTAL
Project Cost	\$ 816,000	\$1,263,910	\$1,050,000	\$3,131,910
EDA Participation	\$ 816,000	\$ 821,521	\$ 194,000	\$1,831,531
Percent Occupied or Operational	5.7 %	100%	-	-
EDA-Attributed Jobs	52+Keller Jobs	256	79 (Saved)	387
EDA-Attributed Jobs to RA Residents	10 (28*)	18	4**	32
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	12 (112*)	100	No Data	112
RA Residents	0 (11*)	11	No Data	11
EDC Residents	12 (97*)	85	No Data	97
EDA Investment Per Job	\$ 15,692 (\$ 2,469*)	\$ 3,209	\$ 2,456	\$ 4,478
EDA Investment Per RA Job	\$ 81,600 (\$ 60,649*)	\$ 68,460	\$ 48,500	\$ 58,483
Yearly Salary Generated	\$ 302,000 (\$1,317,000*)	\$1,015,000	\$ 261,000	\$1,578,000

* Includes Keller Jobs

** Based on parking lot survey and not included in aggregate figures

Two of the firms located in the Magic Mall Industrial Park and another firm which located in Swainsboro as a result of the park were planning expansion at the time of the evaluation. In each case construction was complete but hiring had not begun. According to the discount methodology discussed in Appendix A, the three firms can be credited with a total of 54 future jobs. This would reduce the EDA investment per job in Swainsboro to \$4,153.

b. PAP Effectiveness

Swainsboro's Positive Action Program (PAP) does not reflect any new or expanded commitments on the part of the town toward unemployed and underemployed residents of redevelopment areas. Almost without exception, the programs described in the PAP are related to the development of Swainsboro and Emanuel County. Moreover, the majority of these programs are aimed at upper and middle class residents of Swainsboro.

A number of the programs described in the PAP have been successfully implemented, and progress is being made with relation to others. However, most of these programs were initiated by the local Chamber of Commerce before the town's designation as a growth center. The PAP can be credited with providing some impetus for the Chamber to organize and revitalize local committees. However, local leadership changes and the continued development efforts of influential citizens are primarily responsible for such achievements.

c. Role of the District Organization

Despite the existence of an active, informed board and a well-qualified, competent staff, the Central Savannah River Economic Development District organization has not been particularly effective in implementing the growth center strategy. A number of factors are responsible for this lack of success. Prime among these is the disinterest exhibited by the government and residents of Augusta, the center in the district which displays the most potential for growth. As a result of the town's attitude, little emphasis has been placed on implementing a growth center strategy through developing projects in Augusta. Rather, the district organization has focused on helping Swainsboro develop as a growth center.

Both the district staff and the Swainsboro representatives on the district board of directors emphasize Swainsboro's ability to serve nearby redevelopment areas. However, board members from other counties, who were willing to help Swainsboro become eligible for more federal funds by supporting its designation as a growth center, privately assert that it has no more to offer than towns in their home counties. Moreover, the district staff has not encouraged EDA fund recipients in Swainsboro to recruit or give preferential hiring treatment to unemployed and underemployed residents of redevelopment areas. The assumption is that development of Swainsboro will automatically benefit nearby redevelopment areas; that no direct effort to channel project benefits to such places is necessary.

In attempting to implement a growth center strategy through funding projects in Swainsboro, the district staff has been careful to avoid neglecting district redevelopment areas. The staff recognizes the parochial attitudes of the various board members and knows that to devote an inordinate amount of time to the development of Swainsboro would result in jealousy and a less effective district program. Thus, efforts are made to insure that federal assistance and staff time are spread evenly among the district counties.

d. Status of the Economic Development Process

Led by the influence of a local industrial development consultant, the power structure of Swainsboro has become increasingly favorable toward economic development during the past 10 to 15 years. Although a bond election for financing the Magic Mall Industrial Park locally failed in the mid-60's, the 1970 election of an individual closely identified with development efforts suggests that the general public has also become more positive in its attitude toward development. These attitudes are manifested in attempts to attract industry, improve the town's infrastructure, and upgrade service facilities.

Swainsboro has actively sought aid from the state and Federal Government. In addition to EDA assistance, the town has taken advantage of the Federal Housing Administration's (FHA) program providing housing for low-income families, the Office of Economic Opportunity's Head Start program, the Federal Water Quality Administration's sewage treatment program, and several other programs as well.

The local Chamber of Commerce is a particularly effective force for promoting development activities. Through this organization, a number of committees have been established to plan and implement activities aimed at improving the community. These groups meet regularly, and have experienced considerable success in implementing projects. Several industrial development groups are also active. Two of the town's major banks have an average loan-to-deposit ratio of .68, and have provided financial support for a number of development projects.

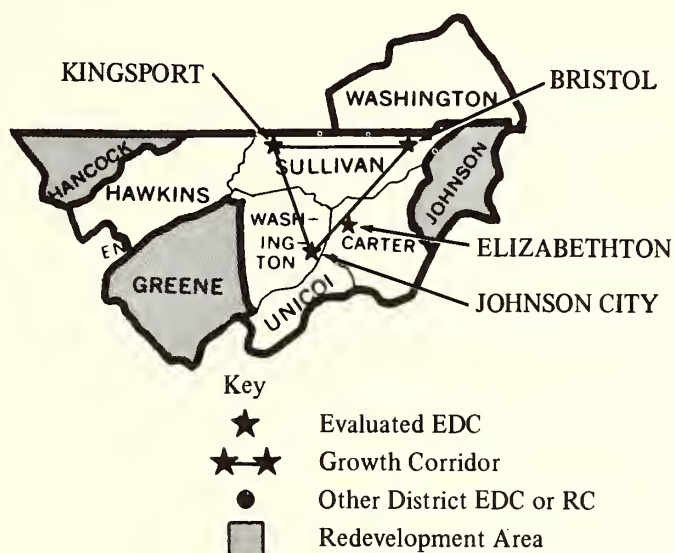
EDA has played a supporting role with regard to Swainsboro's economic development process. Development-oriented activities had been initiated and local attitudes were becoming more positive before the town received growth center designation or EDA project funding. However, the psychological lift provided by designation, and the concrete results furnished by EDA project implementation, accelerated local development activities and strengthened the town's commitment to growth.

10. Tri-Cities, Tennessee-Virginia

The Tri-Cities area (composed of Bristol, Johnson City, and Kingsport, Tennessee, and Bristol, Virginia) was designated by EDA on June 6, 1967, as the primary economic development center of the First Tennessee-Virginia Economic Development District. The boundary of the Tri-Cities growth center was extended in December of 1968 to include Elizabethton, a community 10 miles east of Johnson City in Carter County. The district, which is depicted in Figure 11, is composed of nine counties, eight of which are located in eastern Tennessee. Three of these, Greene, Hancock, and Johnson Counties, are designated redevelopment areas.

FIGURE 11

FIRST TENNESSEE-VIRGINIA ECONOMIC DEVELOPMENT DISTRICT



The growth center cities are approximately 25 miles apart, forming a small triangle in the center of the district. Their combined population has increased from 103,123 in 1960 to 112,898 in 1970. In 1970, the individual populations of the cities were:

- . Bristol, Tennessee-Virginia - 34,921;
- . Kingsport, Tennessee - 31,938;
- . Johnson City, Tennessee - 33,770; and
- . Elizabethton, Tennessee - 12,269.

Although the mileage between the redevelopment areas and the growth center communities is not excessive, mountainous terrain and poor roads make commuting and routine travel extremely difficult. Field work in the Tri-Cities growth center was conducted by an EDA evaluation team during March 1971.

a. EDA Project Impact

EDA has invested heavily in the Tri-Cities growth center. Projects completed to date represent an Agency obligation of \$7,585,000. An additional \$2,325,000 has been obligated for projects not yet physically completed, or still in the planning stage.

The two major job-creating firms associated with EDA Tri-Cities investments are Jarl Aluminum Extrusion Corporation and Camac Corporation, a producer of synthetic carpet thread. Both firms have received substantial EDA business loans - \$4,550,000 and \$1,730,000 respectively - and both are also beneficiaries of EDA public works industrial park investments. At the time of evaluation, the two firms employed 107 workers, and had verifiable plans to hire 363 more by the end of 1971.

Camac is located in the Washington County Industrial Park (Virginia), which was funded through two separate projects. These were a \$1,008,000 public works grant and loan and a \$143,000 public works grant for water and sewage facilities, access roads, storm drainage facilities, and general site preparation. Jarl was able to locate in an industrial park in Elizabethton because of a \$154,000 EDA public works grant that provided sewage service.

In addition to the jobs created through Jarl and Camac, EDA-attributed jobs were generated in Bristol Steel Company and Iodent Chemical Company. Bristol Steel has located a steel fabrication plant in the Washington County Industrial Park, and presently employs 85 workers there. Iodent Chemical is located in an industrial park in Carter County, which is served by the same EDA-funded sewage line that serves the park in which Jarl is located. Iodent presently employs 35 workers and can be credited with 52 future jobs.

The major remaining EDA investment in the Tri-Cities area is the Piney Flats Tri-Counties Industrial Park, not yet physically completed. The 800-acre park represents an Agency expenditure of \$1,885,000 for site preparation. Directly related to the park is an EDA grant of \$440,000 for water and sewer lines to service Bristol as well as the park. At the time of the field evaluation, there was no employment in the park. However, Amerace Esna had begun plant construction and expected to employ 225 persons by the end of 1971. Using the discount rate for future jobs reduces this figure to 113. When future jobs and the park investment are included, EDA's investment per job in Tri-Cities increases to \$13,126.

b. PAP Effectiveness

The Tri-Cities PAP was written by the district organization in March 1968, before the MEDO or guidelines were received from EDA Washington. The PAP has subsequently been updated (August 1969) with no significant changes.

The bulk of the PAP is devoted to the development of the Tri-Cities growth center. It emphasizes that the cost-benefit ratio for public investment and the potential for growth in general is greater within Tri-Cities because of location and existing social amenities.

TABLE 13

EDA PROJECT IMPACT IN TRI-CITIES

EVALUATION CATEGORY	JARL*	CAMAC	WASH. COUNTY INDUSTRIAL PARK	CARTER COUNTY INDUSTRIAL PARK	TOTAL
Project Cost	\$7,154,000	\$3,460,000	\$1,151,000	\$308,000	\$12,073,000
EDA Participation	\$4,550,000	\$1,730,000	\$1,151,000	\$154,000	\$ 7,585,000
Percent Occupied or Operational	15%	45%	60%	50%	
EDA-Attributed Jobs	300	170	85* + Camac Jobs (255**)	35	590
EDA-Attributed Jobs to RA Residents	31	4	0* (4**)	0	35
EDA-Attributed Jobs to Formerly Unemployed and Underemployed Persons	133	96	33* (129**)	No Data	262
EDC Residents	79	42	33* (75**)	No Data	154
RA Residents	31	4	0* (4**)	No Data	35
EDA Investment Per Job	\$ 15,167	\$ 10,176	(\$4,513**)	\$ 4,400	\$ 12,856
EDA Investment Per Job to RA Residents	\$ 146,774	\$ 432,500	(\$287,500+)	--	\$ 216,714
Yearly Salary Generated	\$1,779,000	\$1,300,000	\$ 600,000	\$206,500	\$ 3,885,500

* Employee data for Jarl and the 85 Bristol jobs in Washington County Industrial Park are based on a sample of less than 10 percent of the firms' employees.

** Includes Camac jobs

+ Based on public works investment in park only

Local leaders were unaware of the existence of the Positive Action Program and showed only limited interest in the concept when it was explained to them. They felt that the needs of each community within the growth center so occupied the available resources that aid to outlying redevelopment areas was unlikely. Since the PAP is regional in scope, these individuals felt that the proper place for its design and implementation lay with the district staff rather than with themselves as leaders in the growth center.

Specific steps affecting growth center spillover to RA's are mentioned briefly at the end of the document. They include:

- . preferential recruiting and hiring of RA residents;
- . job notification in RA's;
- . expanded vocational technical training for RA residents; and
- . efforts to increase low- and moderate-income housing and public transportation both within the growth center and the RA's.

However, job recruitment and hiring is difficult in most of the district's RA's because mountainous terrain and poor roads make commuting impractical. Moreover, it is the policy of nearly all new industry of any size to hire local labor first. For example, the new Westinghouse plant has found the local labor pool quite adequate and is not hiring outside a 30-mile radius of the plant. This excludes the RA counties with the exception of the northwest section of Johnson County.

Attempts to service the RA's are in no way related to the PAP, and the isolation of the RA's makes it highly unlikely that the growth center will have substantial impact on those counties. Generally, the RA's have closer economic ties with Morristown and Knoxville. Although there has been expansion of vocational education in the growth center, this has been of little benefit to the RA's. In some cases, voc-tech facilities are limited to county residents. In other cases, where out-of-county students are accepted, there is no transportation provided. The result has been limited attendance on the part of RA residents.

In the judgment of the evaluators, the PAP in Tri-Cities has not been effective for three primary reasons. First, the document is unknown to the local leadership; second, EDA has not effectively transmitted its concern about the PAP to the district level; and third, geography and road systems severely limit the influence the center might have upon the redevelopment areas. The district staff regards the PAP as a simple administrative necessity.

c. Role of the District Organization

The First Tennessee-Virginia Development District was first funded by EDA in November of 1966, and now supports a professional staff of almost 30. District headquarters are located on the campus of Eastern Tennessee State University in Johnson City. Based on interviews with the staff and evaluation of staff-prepared material, the director and his employees were judged to be extremely competent. Their assistance goes beyond simple "grantsmanship" to the provision of technical assistance and information to member governments, and specialized forms of development planning.

The district organization has succeeded in securing federal assistance from such agencies as the Law Enforcement Administration, FHA, and HUD. It has also received assistance from the Appalachian Regional Commission and has been designated as an A-95 clearinghouse by OMB.

As previously noted, the Tri-Cities PAP was prepared by the district staff, which found the exercise itself useful, but the document superfluous. The staff spends considerable time in redevelopment areas of the district although its offices are located in the growth center. Their time appears to be divided equally among the growth center, RA counties, and non-designated counties.

District staff members have mixed reactions to EDA's growth center concept. They believe that significant regional development can only take place within Tri-Cities. However, geographic barriers preclude the redevelopment areas from significantly benefitting from such growth. Consequently, they have sought to provide the redevelopment areas with whatever projects they can in an attempt to help the local residents.

d. Status of the Economic Development Process

(1) Bristol

The city of Bristol lies astride the Virginia-Tennessee state line, which divides its principal business street and commercial center. The Tennessee and Virginia sections of the city have separate forms of municipal government and separate city services, but most residents feel that cooperation between the two is extremely good. A generally recognized turning point for development activities in Bristol was the founding in 1965 of the joint Bristol, Tennessee-Virginia Industrial Commission. The Commission introduced up-dated planning and zoning requirements and applied for federal assistance.

Over the past four years, seven new industries have located in Bristol. However, some problems of suburban exodus plague the community. The middle class is leaving the city proper,

and municipal revenue and downtown businesses have decreased accordingly. Efforts to revitalize the center of town have not yet met with much success.

(2) Johnson City

Johnson City has experienced substantial commercial growth in recent years. The city has a higher proportion of service and commercial industry than the other towns in the Tri-Cities growth center, but has not experienced as much industrial and manufacturing growth. There is a concentration of hospitals and related facilities, as well as a university and two colleges which establish it as an educational and health facility center for the area.

Johnson City has undertaken considerable development in the past five years, primarily due to the willingness of the public to pay for projects of this nature. Water and sewer facilities, industrial sites, and a new school and municipal building program are some of the development projects that have been made possible through public financing. Although it is difficult to pinpoint a group of economic leaders as the real moving force within the community, developments in recent years would suggest that diverse groups have been able to work together for the good of the community.

Community leaders express a concern for the poverty and unemployment that exist in the outlying redevelopment areas. They recognize, however, the limitations of the road system connecting the city with Hancock County, and believe that the only way Hancock residents can be helped is by migrating to the center or through the location of factories in the RA county itself.

(3) Kingsport

Although only half as old as Johnson City and Bristol, Kingsport has in approximately 50 years matched them in retail trade and services. A large part of this growth is due to the location of Tennessee-Eastman, chemical manufacturer and subsidiary of Eastman Kodak. This plant employs 15,000 workers with a median salary of \$12,000 and an unusually high level of education. The plant has made considerable contributions to community affairs, including \$225,000 for an environmental education center. Other large employers include Mead Paper, an Army munitions factory and one of the country's largest printing plants.

Kingsport, in combination with Bristol, is the major retail trade center for northeastern Tennessee and nearby West Virginia. It is also becoming an educational center with the opening of the new \$2.5 million Kingsport University Center. An extensive capital improvements program and a recreational program are among the other activities that the community has begun in the area of development. The community is visibly reluctant to become in-

involved in any federal programs, although this situation may be changing.

(4) Elizabethton

Elizabethton, which was added to the growth center area in 1968, is beginning to develop a diversified economy. A number of new industries have located there, and the town is building its own service sector. Two new shopping centers and the city's first motel are now being built.

Traditionally isolated by poor roads, new highway construction promises to make Elizabethton more accessible from the Tri-Cities airport and industrial park to the north. Because of this isolation, Elizabethton's influence on outlying RA's has been minimal. Local leaders believe the city will have greater potential to attract commuters when the road improvements are completed.

City leaders feel that attitudes toward development are becoming more positive. Elizabethton has participated in the construction of a regional industrial park by contributing 13 percent of the project cost. The city has also become involved in some federal programs including urban renewal, a HUD-financed water and sewer system, an OEO Operation Mainstream Program, and public housing leased by the City Housing Authority.

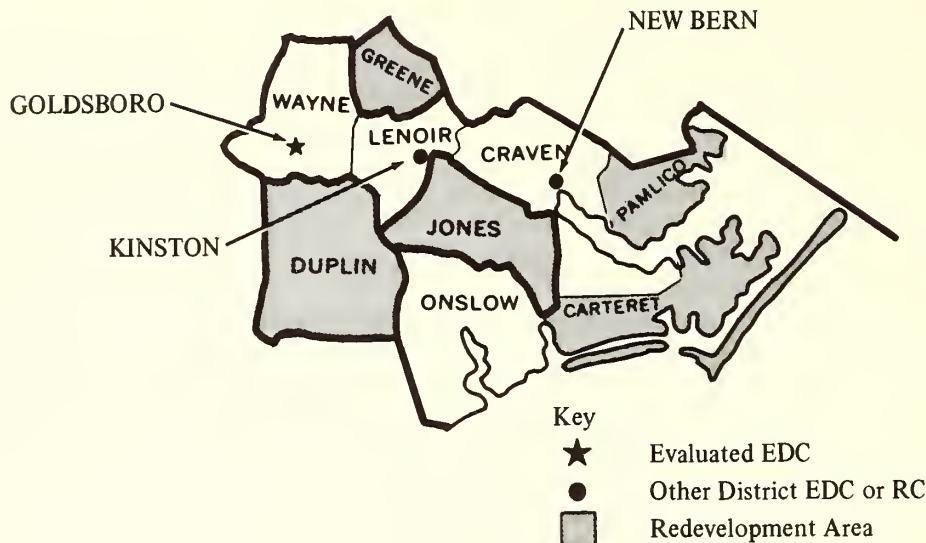
11. Goldsboro, North Carolina

Goldsboro is one of three growth centers in the Neuse River Economic Development District of North Carolina. Designated a growth center on June 3, 1969, at the same time the development district was officially recognized, the city had a 1970 population of 26,810 - a seven percent decline from 1960. The population of Wayne County, however, in which Goldsboro is situated, has increased four percent since 1960 to 85,408.

The Neuse River District, which is shown in Figure 12, is in the central coastal plain region of the state and runs westward from the Atlantic Ocean about 125 miles. It is formed by nine counties, five of which are redevelopment areas. Greene and Duplin Counties are the redevelopment areas closest to Goldsboro.

Goldsboro was added to the basic sample group as an economic development center that had submitted a Positive Action Program but had received no EDA project funds. A brief field visit was made on May 3 and 4, 1971, to evaluate the effect of the Positive Action Program on the residents of nearby redevelopment areas and on the growth center.

FIGURE 12
NEUSE RIVER ECONOMIC DEVELOPMENT DISTRICT



a. PAP Background and Status

The PAP Committee in Goldsboro was a broad based group of 23 community leaders, many of whom were already involved in other community development programs. Led by the manager of the local Chamber of Commerce, who also wrote the final document, the committee held several meetings to divide responsibilities, assemble a draft document, and approve the final copy. The complete PAP was reviewed by the Goldsboro Area Chamber of Commerce, the office of the mayor, and the Wayne County Commissioners. All passed resolutions of support.

The document was quickly accepted by the EDA Regional Office and forwarded to Washington in April 1970. However, 13 months later when the field visit was made, the PAP committee had not yet heard whether EDA Washington had approved or disapproved its program outline. The case was a communications problem between EDA Washington and the area office.

b. Progress Toward Achieving PAP Goals

Specific actions the PAP Committee listed as steps the community would take in line with its responsibilities as a growth center included the following:

- . The Human Relations Committee of the Chamber of Commerce would develop a pilot project involving local industry and the hard-core unemployed.
- . Wayne Community College would expand its physical plant and training programs to reach more unemployed, especially those in the redevelopment areas.
- . The PAP Committee would conduct an informal program to change attitudes of business firms within the city toward unskilled but trainable members of the labor force.
- . The urban renewal program would continue to aim for better housing and, in particular, would aid a local group offering new homes through HUD's low-income housing program.

Other programs in the PAP describe ongoing efforts; for example, the PAP indicates that the Wayne County Industrial Development Authority will continue to work for expansion of existing industry and the creation of new job opportunities for all persons, including those in nearby redevelopment areas.

At the time of the field visit, all items in the program outline had received attention; action had been begun on all items that called for specific efforts, and in two instances (expansion of the community college and organizing a private corporation to build 160 housing units) the projects had been completed.

However, of the seven commitments in the program, only one can be considered a new activity that would not have taken place in the absence of the PAP. This is a job-training program involving the hard-core unemployed and local industry. If assistance is provided through the Department of Labor's "JOBS 70" Program, the Chamber of Commerce will administer the training in cooperation with a consortium of four local firms. While the initial number of trainees (38) is modest, the Chamber hopes that early successes will encourage more local firms to participate and thereby increase the number of persons trained.

c. Growth Center Activities and Attitudes Directly Resulting from PAP

(1) Effect on the PAP Committee

Those members of the PAP Committee interviewed, and in particular the PAP's author, felt that preparing the PAP had been a good exercise because it brought together most people who were working for community development and enabled them to find out what others were doing. On the other hand, current interest in reviving or continuing the committee as an on-going local action group is minimal, an attitude which can be attributed to EDA's inattention concerning the PAP and to the lack of any project activity.

(2) Effect on Growth Center and Redevelopment Area Residents

As stated earlier, little in the PAP represented new action; even that which can be attributed directly to the PAP has not yet resulted in direct benefits for growth center or redevelopment area residents.

Yet certain subtle overall benefits to growth center residents have accrued as a result of Goldsboro's designation as a growth center and as a result of the concomitant requirement for a PAP. First, there appears to be evolving among the city and county leaders a greater awareness of the problems and hardships facing its unemployed and minority citizens. The new job-training program is a limited response by a small segment of the total community, but the manager of the Chamber of Commerce stated that this type of program would not have been possible even a few years ago.

Second, there is evidence of greater communication and cooperation among public officials, minority group community organizations, and local business interests. An example is the new city-subsidized bus system that will service minority commuters and give them greater access to downtown shopping and job opportunities. The local Community Action Program (WAGES) and the Chamber of Commerce have joined together to institute this important new service. The feasibility test for bus service market potential was financed by private funds, raised locally.

Neither of these subtle changes has benefitted the redevelopment areas.

III. FINDINGS OF THE NATIONAL ASSESSMENT

A. INTRODUCTION

This section presents the results of a National Assessment of 1,440 counties (45% of the nation's counties) using the criteria outlined in Appendix B. The 1,440 counties include all counties located within authorized and designated economic development districts plus nondistrict counties linked to the districts by commuting and trade patterns.

The counties and districts were grouped into 13 regions, which are illustrated in Figure 13. Each of the 13 regions is geographically and economically homogeneous. Each can be considered distressed on the basis of income and unemployment. Boundaries between contiguous regions were delineated by geographical characteristics or by the boundaries established by the Regional Commissions.

The objective of the analysis was to identify growth centers within and near economic development districts. Most of the growth centers identified are located within present economic development districts, but in a few cases, the analysis identified a growth center in a non-district county contiguous to a present district.

1. Classification of Centers

Through the National Assessment, EDA economic development centers, EDA redevelopment centers, and other potential growth centers were grouped into three types.

To contain a Type I growth center, it was necessary for the county to meet two criteria:

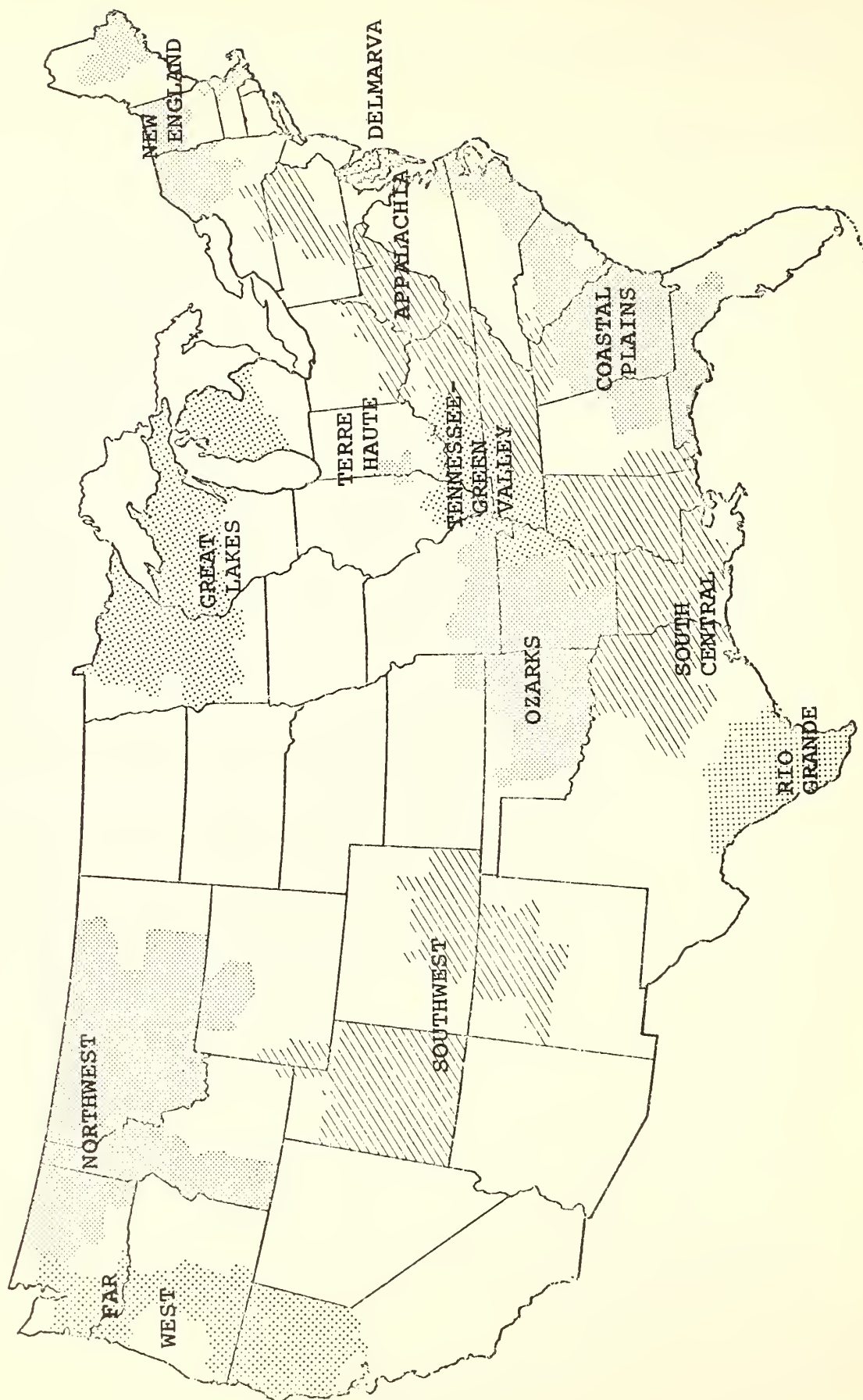
- . sufficient manufacturing and non-basic employment in 1960; and
- . population growth in the period 1960 to 1970.

The Type II growth centers fall into two categories:

- . places in counties that had employment growth in the past two decades, but did not possess an employment base for continuation of this growth; and
- . places in counties whose growth patterns have shifted over the past two decades, making it impossible to forecast future growth.

FIGURE 13

REGIONS OF ANALYSIS



The Type III growth centers also fall into two categories:

- . places which have shown no population growth in the last decade and have either an inadequate employment base or no employment growth between 1950 and 1960; and
- . places that would be considered as Type I or Type II centers on the basis of other criteria, but are too far from redevelopment areas to benefit their residents.

The analysis identified 50 Type I growth centers and 74 Type II growth centers in the 13 regions. A summary of the findings with respect to present EDC's and RC's is presented in Table 14.

TABLE 14

ANALYSIS OF PRESENTLY DESIGNATED CENTERS

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	30	40	65
Redevelopment Centers	0	13	53

In addition, 41 other places were identified as Type I or Type II growth centers within the 13 regions. Five are within presently designated economic development districts, and 13 are located outside a presently designated district, but within the commuting and trade patterns of the district. The remaining 23 are located in authorized or funded (but not designated) districts.

2. Findings by Economic Development District

All growth centers in the present EDD's were analyzed. Modified districts were formed through the addition of counties linked to the district in commuting and trade patterns.^{1/} No attempt was made to alter present district boundaries, but only to identify nearby economically related counties that contain growth centers.

^{1/} See Appendix B, Part I.

Five districts were found to possess such a county outside the district boundaries.

Forty-two present districts do not include a place considered acceptable as a growth center. However, as noted, boundaries could be modified in five of these districts to include a growth center. In one district, none of the presently designated centers are acceptable, but a non-designated town does meet the growth center criteria. The remaining 37 lack a place that could function as a growth center under the assumptions of the National Assessment methodology.

B. DETAILED FINDINGS

The findings for each of the 13 regions are presented below.

1. New England Region

a. Classification of Centers

The analysis identified six Type II growth centers in the New England Region. No Type I centers were selected. The Type II centers consisted of 3 economic development centers, 2 redevelopment centers, and 1 additional growth center. Boston, Massachusetts, would have been identified as a Type II growth center if its population had not exceeded 250,000.

Ten of EDA's present EDC's and RC's were classified as Type III growth centers. All 10 of these places were so described because of insufficient population increase and inadequate employment base. Five of these places also lacked employment growth.

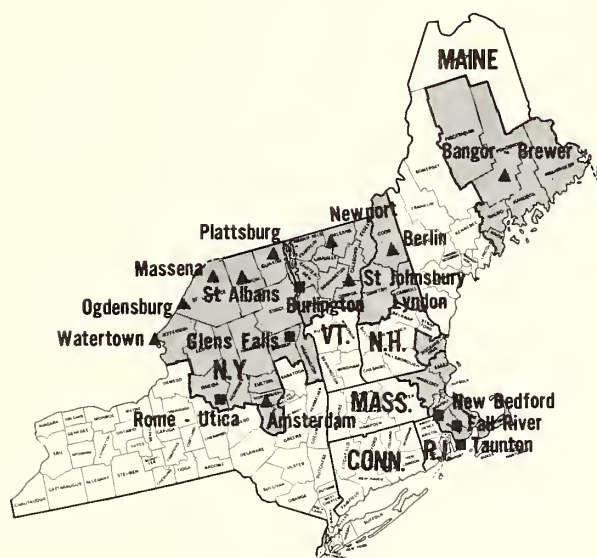
A list of the Type II centers and the Type III EDA growth centers is presented in Table 15. A statistical description of each center is presented in Appendix C.

TABLE 15

ANALYSIS RESULTS FOR THE NEW ENGLAND REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	None	Fall River (Bristol), Mass.	Amsterdam (Montgomery), N.Y.

NEW ENGLAND REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

TABLE 15 (CONTINUED)

NEW ENGLAND REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Redevelopment Centers	None	Rome-Utica (Oneida), N.Y. Taunton (Bristol), Mass. Glens Falls (Warren), N.Y. New Bedford (Bristol), Mass.	Bangor-Brewer (Penobscot), Me. Newport (Orleans), Vt. St. Johnsbury- Lyndon (Caledonia), Vt. Berlin (Coos), N.H. Masenna (St. Lawrence), N.Y. Ogdensburg (St. Lawrence), N.Y. Plattsburg (Clinton), N.Y. St. Albans (Franklin), Vt. Watertown (Jefferson), N.Y.
Additional Growth Centers	None	Burlington (Chittendon), Vt.	None
Growth Centers Over 250,000	None	Boston, Mass.	None

b. Findings by Economic Development District

The New England Region contains six economic development districts with seven economic development centers and eight redevelopment centers. None of these places was classified as a Type I center, and only 5 of these 15 present EDA centers were identified as Type II centers. These are located in three economic development districts: Southeastern, Eastern Adirondack, and Mohawk Valley. The other districts contained only Type III centers. However, when the district boundary of the New Hampshire-Vermont District was modified, Burlington, Vermont, was identified as a Type II growth center.

The findings by district are as follows:

. MAINE

Pride

Bangor-Brewer - Type III

. MASSACHUSETTS

Southeastern

Fall River - Type II

New Bedford - Type II

Taunton - Type II

. NEW HAMPSHIRE

New Hampshire-Vermont

Berlin - Type III

Burlington - Type II

(Additional Center not in district)

Newport - Type III

St. Albans - Type III

St. Johnsbury-Lyndon - Type III

. NEW YORK

Black River-St. Lawrence

Massena - Type III

Ogdensburg - Type III

Watertown - Type III

Eastern Adirondack

Glens Falls - Type II

Plattsburg - Type III

Mohawk Valley

Amsterdam - Type III

Rome-Utica - Type II

DELMARVA REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

2. Delmarva Region

a. Classification of Centers

The analysis identified two Type II growth centers in the Delmarva Region: Dover, Delaware, and Salisbury, Maryland. Both are EDC's and both lacked the manufacturing employment base necessary to be identified as Type I growth centers. No other centers were identified. A statistical description of each center is presented in Appendix C.

b. Findings by Economic Development District

The Delmarva Region consists of only one district, the Delmarva Economic Development District. The findings for this district are:

. MARYLAND-DELAWARE

Delmarva

Dover - Type II

Salisbury - Type II

TERRE HAUTE REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

3. Terre Haute Region

a. Classification of Centers

The analysis identified the only EDC in the region - Terre Haute - as a Type I growth center. Statistics for this center are given in Appendix C.

b. Findings by Economic Development District

The West Central District in Indiana is the only district within the region. The findings for this district are:

. INDIANA

West Central

Terre Haute - Type I

APPALACHIAN REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

4. Appalachian Region

a. Classification of Centers

The analysis identified nine Type I growth centers and six Type II centers in the Appalachian Region. The Type I centers consisted of 8 present EDC's, and 1 center in an authorized district.

Of the 6 Type II growth centers, 5 are presently EDC's and 1 is an RC. All 5 EDC's lacked a sufficient manufacturing base to be Type I centers. The RC was not identified as Type I because of inadequate population growth between 1960 and 1970.

Twenty-one present EDC's and RC's were classified as Type III in the analysis. All 21 failed to satisfy the change in population criterion. Fifteen also failed to increase in employment, while 5 lacked a sufficient employment base.

Cincinnati, Ohio, would have been selected as a Type I growth center if its population had not been over 250,000. A list of the center classifications is presented in Table 16. A statistical description of each center is presented in Appendix C.

TABLE 16
ANALYSIS RESULTS FOR THE APPALACHIAN REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Bristol-Kingsport (Sullivan), Tenn. Gainesville (Hall), Ga. Knoxville (Knox), Tenn.	Athens (Athens), Ohio Campbellsville (Taylor), Ky. Cookeville (Putnam), Tenn. Crossville (Cumberland), Tenn.	Ashland (Boyd), Ky. Alcoa-Maryville (Blount), Tenn. Chillicothe (Ross), Ohio

TABLE 16 (CONTINUED)

APPALACHIAN REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers (continued)	Marietta (Washington), Ohio Martinsburg- Charlestown (Berkley- Jefferson), W. Va. McMinnville (Warren), Tenn. Morristown (Hamblen), Tenn. Toccoa (Stephens), Ga.	Johnson City (Washington), Tenn.	Huntingdon (Huntingdon), Pa. Johnstown (Cambria), Pa. Martin's Ferry- Bellaire (Belmont), Ohio Magisterial Districts of Powell and Taylor (Scott), Va. Oak Ridge (Anderson, Roane), Tenn. Portsmouth (Scioto), Ohio Somerset (Pulaski), Ky.
Redevelopment Centers	None	Somerset (Somerset), Pa.	Beckley (Raleigh), W. Va. Bedford (Bedford), Pa. Bluefield- Princeton (Mercer), W. Va. Hazard (Perry), Ky.

TABLE 16 (CONTINUED)

APPALACHIAN REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Redevelopment Centers (continued)			Keyser (Mineral) W. Va. Lebanon (Russell), Va. Moorefield (Hardy), W. Va. Pikeville (Pike), Ky. Prestonburg- Paintsville (Floyo-Johnson), Ky. Richlands (Tazewell), Va. Williamson (Mingo), W. Va.
Additional Growth Centers	Chattanooga (Hamilton), Tenn.	None	None
Growth Centers Over 250,000	Cincinnati, Ohio	None	None

b. Findings by Economic Development District

Of the 15 designated EDD's in the Appalachian Region, 6 contain at least 1 Type I growth center. The Georgia Mountains and East Tennessee Districts each contain 2 Type I growth centers. Two of the remaining designated EDD's contain a Type II growth center, while 7 contain only Type III growth centers.

In addition, the region has two funded districts and eight authorized districts. One of the authorized districts, Southeast Tennessee, includes Chattanooga, Tennessee, which was identified as a Type I growth center.

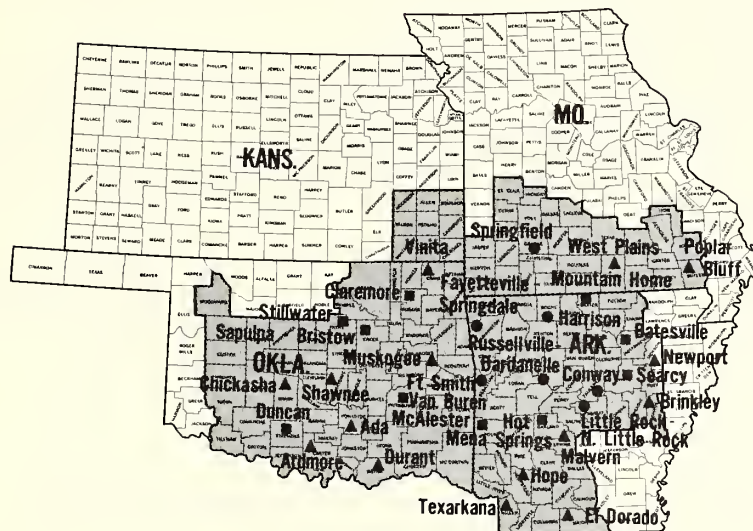
The findings by district are as follows:

	<u>Designated Districts</u>
. GEORGIA	<u>Georgia Mountains</u> Gainesville - Type I Toccoa - Type I
. KENTUCKY	<u>Big Sandy</u> Pikeville - Type III Prestonsburg-Paintsville - Type III <u>Fivco</u> Ashland - Type III <u>Kentucky River</u> Hazard - Type III <u>Lake Cumberland</u> Campbellsville - Type II Somerset - Type III
. OHIO	<u>Buckeye Hills-Hocking Valley</u> Athens - Type II Marietta - Type I Martins Ferry-Bellaire - Type III

- . OHIO
(Cont)
 - Ohio Valley
 - Chillicothe - Type III
 - Portsmouth - Type III
- . PENNSYLVANIA
 - Turnpike
 - Bedford - Type III
 - Huntingdon - Type III
 - Johnstown - Type III
 - Somerset - Type II
- . TENNESSEE
 - East Tennessee
 - Alcoa-Maryville - Type III
 - Knoxville - Type I
 - Morristown - Type I
 - Oak Ridge - Type III
 - First Tennessee-Virginia
 - Bristol-Kingsport - Type I
 - Johnson City - Type II
 - Upper Cumberland
 - Cookeville - Type II
 - Crossville - Type II
 - McMinnville - Type I
- . VIRGINIA
 - Cumberland Plateau
 - Lebanon - Type III
 - Richlands - Type III
 - Lenowisco
 - Magisterial Districts of
Powell and Taylor - Type III
- . WEST VIRGINIA
 - Southern West Virginia
 - Beckley - Type III
 - Bluefield-Princeton - Type III
 - Williamson - Type III
 - Upper Potomac
 - Keyser - Type III
 - Martinsburg-Charles Town
- Type I
 - Moorefield - Type III

	<u>Funded Districts</u>
. PENNSYLVANIA	<u>Northeastern</u>
	None
	<u>Northern Tier</u>
	None
	<u>Authorized Districts</u>
. KENTUCKY	<u>Cumberland Valley</u>
	None
	<u>Gateway</u>
	None
. TENNESSEE	<u>South Central</u>
	None
	<u>Southeast</u>
	Chattanooga - Type I (Additional Center in District)
. WEST VIRGINIA	<u>District 2</u>
	None
	<u>District 4</u>
	None
	<u>District 5</u>
	None
	<u>North Central</u>
	None

OZARKS REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

5. Ozarks Region

a. Classification of Centers

The analysis identified 7 Type I and 12 Type II growth centers in the Ozarks Region. The 7 Type I centers are all presently designated as economic development centers. Of the 12 Type II centers, 7 are EDC's, 3 are RC's, 1 is an additional growth center in a present district, and 1 is an additional growth center in a county contiguous to a present district.

Ten of the Type II centers exhibited an insufficient employment base, while the other two declined in population between 1960 and 1970. Two standard metropolitan statistical areas, Oklahoma City and Tulsa, would have been identified as Type I growth centers, but exceeded EDA's legislative population limit of 250,000

Eleven EDC's and 4 RC's were classified as Type III growth centers through the analysis. Of the 15 Type III places, 14 lacked an adequate employment base, 13 exhibited insufficient employment growth, and all had declines or small increases in population.

A list of the growth centers and the Type III EDA centers is presented in Table 17. A statistical description of each center is presented in Appendix C.

TABLE 17
ANALYSIS RESULTS FOR THE OZARKS REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Conway (Faulkner), Ark. Fayetteville-Springdale (Washington), Ark.	Claremore (Rogers), Okla. Duncan (Stephens), Okla.	Ada (Pontotoc), Okla. Ardmore (Carter), Okla.

TABLE 17 (CONTINUED)

OZARKS REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers (continued)	Fort Smith-Van Buren (Sebastian), Ark. Harrison (Boone), Ark. Little Rock-N. Little Rock (Pulaski), Ark. Russellville-Dardanelle (Pope, Yell), Ark. Springfield (Greene), Mo.	Hot Springs (Garland), Ark. Mena (Polk), Ark. Mountain Home (Baxter), Ark. Sapula-Bristow (Creek), Okla. Stillwater (Payne), Okla.	Chickasha (Grady), Okla. Durant (Bryan), Okla. El Dorado (Union), Ark. Newport (Jackson), Ark. Poplar Bluff (Butler), Mo. Shawnee (Pottawatomie), Okla. Texarkana (Miller), Ark. Vinita (Craig), Okla. West Plains (Howell), Mo.
Redevelopment Centers	None	Batesville (Independence) Ark. McAlester (Pittsburg), Okla. Searcy (White), Ark.	Brinkley (Monroe), Ark. Hope (Hampstead), Ark. Malvern (Hot Spring), Ark. Muskogee (Muskogee), Okla.

TABLE 17 (CONTINUED)

OZARKS REGION

CATEGORY OF CENTER	TYPE I	TYPE III	TYPE III
Additional Growth Centers	None	Joplin (Jasper, Newton) Mo. Lawton (Comanche), Okla.	None
Growth Centers Over 250,000	Tulsa (Tulsa), Okla.	Oklahoma City (Oklahoma), Okla.	

b. Findings by Economic Development District

The Ozarks Region is comprised of 16 districts:

- . 1 in Kansas;
- . 3 in Missouri;
- . 6 in Oklahoma; and
- . 6 in Arkansas.

All the districts are designated except the one in Kansas, which is funded. Twenty-five EDC's and seven RC's have been designated in these districts.

The 7 Type I growth centers are distributed among 5 of the 15 designated districts. Five other districts contain at least 1 of the 10 Type II growth centers. Five of the designated districts contain only Type III growth centers. In addition, the analysis identified no growth center for the funded district in Kansas.

The Lakes Country District in Missouri could be modified to include Joplin in Jasper County, which was identified as a Type II growth center. The South Central District in Oklahoma contains a Type II growth center that is not presently designated. This is the town of Lawton. These two places were the only additional growth centers identified.

The findings for the 16 districts in the Ozarks Region are as follows:

Designated Districts

. ARKANSAS

Central

Brinkley - Type III
Conway - Type I
Little Rock-N. Little Rock
- Type I

North Central

Batesville - Type II
Newport - Type III
Searcy - Type II

Northwest

Fayetteville-Springdale
- Type I
Harrison - Type I
Mountain Home - Type II

Southwest

El Dorado - Type III
Hope - Type III
Texarkana - Type III

West Central

Hot Springs - Type II
Malvern - Type III
Russellville-Dardanelle
- Type I

Western

Fort Smith-Van Buren
- Type I
Mena - Type II

. MISSOURI

Lakes Country

Joplin - Type II
(Additional Center not in District)
Springfield - Type I

Ozark Foothills

Poplar Bluff - Type III

South Central Ozark

West Plains - Type III

. OKLAHOMA

Central

Sapulpa-Bristow - Type II
Shawnee - Type III
Stillwater - Type II

Eastern

Muskogee - Type III

Kiamichi

McAlester - Type II

N.E.C.O.

Claremore - Type II

S.O.D.A.

Ada - Type III
Ardmore - Type III
Durant - Type III

South Central

Chickasha - Type III
Duncan - Type II
Lawton - Type II
(Additional Center not in District)

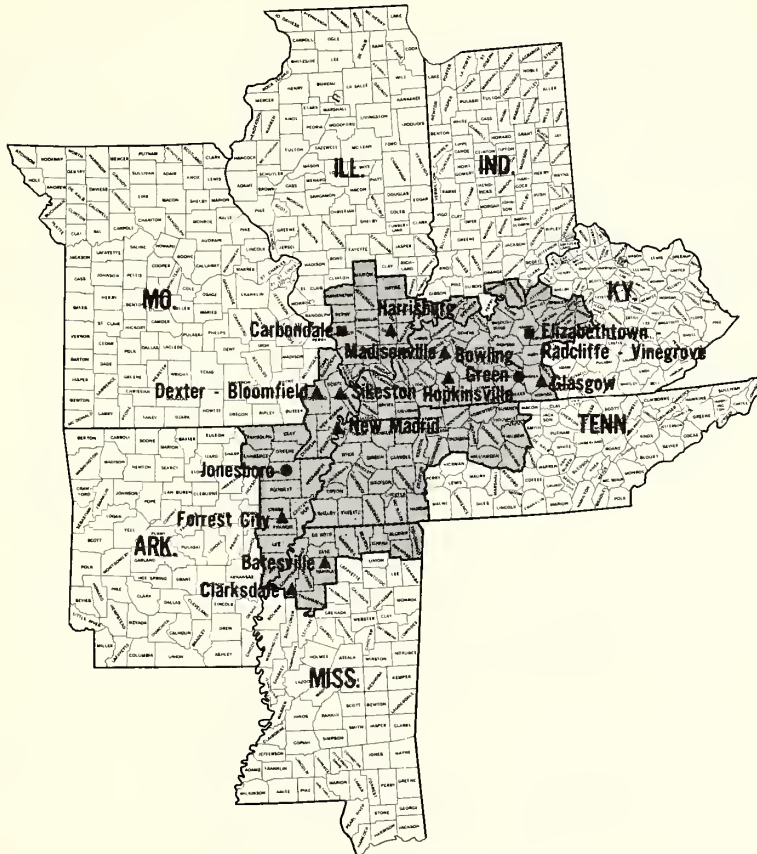
Funded Districts

. KANSAS

Mid-America

None

TENNESSEE-GREEN VALLEY REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

6. Tennessee-Green Valley Region

a. Classification of Centers

The analysis identified 9 Type I and 4 Type II centers in the Tennessee-Green Valley Region. Two of the Type I centers are EDC's; the other 7 are additional growth centers.

Two of the Type II centers are EDC's, and 2 are additional centers. Both Type II EDC's lacked the manufacturing employment base necessary to be identified as Type I centers. Three SMSA's would have been identified as Type I growth centers, but all had populations exceeding 250,000.

Five EDC's and 5 RC's were classified as Type III growth centers through the analysis. Eight of the 10 declined in population, while the other 2 exhibited population increases of less than 2%. Nine were so classified on the basis of an insufficient manufacturing employment base.

The rankings of centers are identified in Table 18. A statistical description of each center is presented in Appendix C.

TABLE 18
ANALYSIS RESULTS FOR THE TENNESSEE-GREEN VALLEY REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Bowling Green (Warren), Ky. Jonesboro (Craighead), Ark.	Carbondale (Jackson), Ill. Elizabethtown-Radcliff-Vinegrove (Hardin), Ky.	Dexter-Bloomfield (Stoddard), Mo. Glasgow (Barren), Ky. Hopkinsville (Christian), Ky. Madisonville (Hopkins), Ky.

TABLE 18 (CONTINUED)
TENNESSEE-GREEN VALLEY REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers (continued)			Sikeston (Scott), Mo.
Redevelopment Centers	None	None	Batesville (Panola), Miss. Clarksdale, (Coahoma), Miss. Forrest City (St. Francis), Ark. Harrisburg (Saline), Ill. New Madrid (New Madrid), Mo.
Additional Growth Centers	Cape Girardeau (Cape Girardeau), Mo. Corinth (Alcorn), Miss. Jackson (Madison), Tenn. Lexington (Fayette), Ky. Murray (Calloway), Ky.	Clarksville (Montgomery), Tenn. Paducah (McCracken), Ky.	None

TABLE 18 (CONTINUED)
TENNESSEE-GREEN VALLEY REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Additional Growth Centers (continued)	Owensboro (Daviness), Ky. Union City (Obion), Tenn.		
Growth Centers Over 250,000	Louisville, Ky. Memphis, Tenn. Nashville, Tenn.	None	None

b. Findings by Economic Development District

The Tennessee-Green Valley Region is comprised of 13 districts:

- . 8 designated districts;
- . 3 funded districts; and
- . 2 authorized districts.

Nine EDC's and 5 RC's have been designated within the 8 designated districts.

Four of the designated districts have a Type I or Type II growth center. Two other districts could be modified to include a Type I growth center. In 3 designated districts, only Type III growth centers were identified.

Two designated districts could be modified to include

a Type I growth center. One authorized district and two funded districts each contain at least one Type I growth center.

Designated Districts

. ARKANSAS

East Arkansas

Forrest City - Type III
Jonesboro - Type I

. ILLINOIS

Greater Egypt

Carbondale - Type II

Southeastern Illinois

Harrisburg - Type III

. KENTUCKY

Barren River

Bowling Green - Type I
Glasgow - Type III

Lincoln Trail

Elizabethtown-Radcliffe-
Vinegrove - Type II
Lexington - Type I
(Additional Center not in District)

Pennyrile

Hopkinsville - Type III
Madisonville - Type III

. MISSISSIPPI

North Delta

Batesville - Type III
Clarksdale - Type III

. MISSOURI

Bootheel

Cape Girardeau - Type I
(Additional Center not in District)
Dexter-Bloomfield - Type III
New Madrid - Type III
Sikeston - Type III

Funded Districts

. KENTUCKY

Green River

Owensboro - Type I
(Additional Center in District)

Purchase

Murray - Type I
(Additional Center in District)
Paducah - Type II
(Additional Center in District)
Union City - Type I
(Additional Center not in District)

. TENNESSEE

Mid-Cumberland

Clarksville - Type II
(Additional Center in District)

Authorized Districts

. MISSISSIPPI

Tennessee Valley

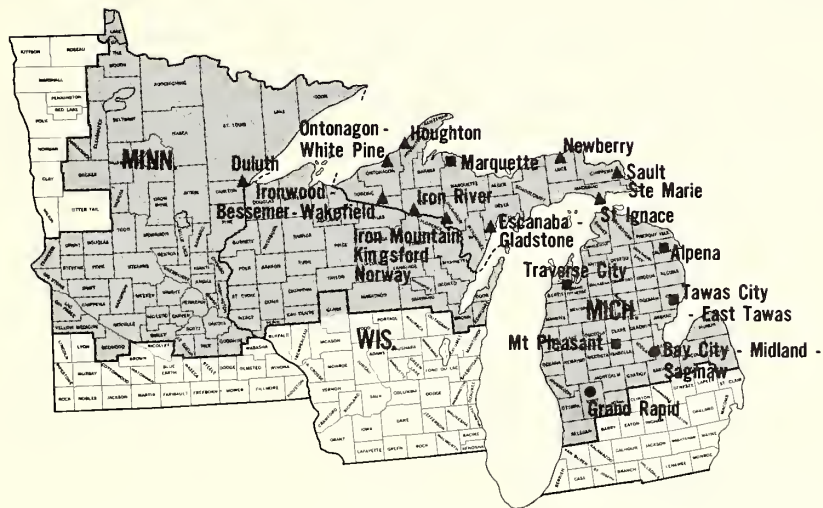
Corinth - Type I
(Additional Center not in District)

. TENNESSEE

Southwest

Jackson - Type I
(Additional Center in District)

GREAT LAKES REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

7. Great Lakes Region

a. Classification of Centers

Three Type I growth centers, and 6 Type II centers were identified in the Great Lakes Region. The three Type I centers included one present economic development center and two additional growth centers.

One Type II growth center is a present EDC. In addition, three RC's and two additional growth centers were identified as Type II centers. One of the additional places is in a designated district.

Two presently designated economic development centers and 8 redevelopment centers were classified as Type II by the analysis. All but one declined in population, and all but two exhibited an insufficient employment base.

Minneapolis-St. Paul would have been identified as a Type I center if its population had not exceeded 250,000. A list of the growth centers and the Type III EDA centers is presented in Table 19. A statistical description of each center is presented in Appendix C.

TABLE 19
ANALYSIS RESULTS FOR THE GREAT LAKES REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Bay City-Midland-Saginaw (Bay, Midland, Saginaw), Mich.	Tawas City-East Tawas (Iosco), Mich.	Duluth (St. Louis), Minn. Ontonagon-White Pine (Ontonagon), Mich.

TABLE 19 (CONTINUED)

GREAT LAKES REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Redevelopment Centers	None	Alpena (Alpena), Mich. Marquette- Negaunee- Ishpeming (Marquette), Mich. Traverse City (Grand Traverse), Mich.	Escanaba- Gladstone (Delta), Mich. Houghton (Houghton), Mich. Iron Mountain- Kingsford- Norway (Dickinson), Mich. Iron River (Iron), Mich. Ironwood- Bessemer- Wakefield (Gogebic), Mich. Newberry (Luce), Mich. St. Ignace (Mackinac), Mich. Saulte- St. Marie (Chippewa), Mich.
Additional Growth Centers	Grand Rapids (Kent), Mich. Grayling (Crawford), Mich.	Mt. Pleasant (Isabella), Mich. St. Cloud (Stearns), Minn.	None

TABLE 19 (CONTINUED)

GREAT LAKES REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Growth Center Over 250,000	Minneapolis-St. Paul, Minn.	None	None

b. Findings by Economic Development District

The Great Lakes Region is comprised of 7 designated districts and 4 authorized districts. Four EDC's and 11 RC's have been designated within the 7 designated districts.

The East Central District in Michigan contains 5 counties identified as Type I and Type II growth centers by the analysis. Three of these are designated as the Bay City-Midland-Saginaw Economic Development Center. The other two are Mt. Pleasant in Isabella County and Tawas City-East Tawas in Iosco, both identified as Type II centers.

Three other designated districts contain at least one Type II growth center and 3 contain only Type III centers.

One of the authorized districts contains a Type I growth center, and one district could be modified to include a Type II growth center.

The specific findings are as follows:

Designated Districts

. MICHIGAN

Central Upper Peninsula

Escanaba-Gladstone Area -
Type III

Iron Mountain-Kingsford-Norway
Area - Type III

Marquette-Negaunee-Ishpeming
Area - Type II

. MICHIGAN
(cont)

East Central

Bay City-Midland-Saginaw

- Type I

Mt. Pleasant - Type II

(Additional Center in District)

Tawas City-E. Tawas - Type II

Eastern Upper Peninsula

Newberry - Type III

Sault Ste. Marie - Type III

St. Ignace - Type III

Northeast

Alpena - Type II

Grayling - Type I

(Additional Center in District)

Northwest

Traverse City - Type II

Western Upper Peninsula

Houghton - Type III

Iron River - Type III

Ironwood-Bessemer-Wakefield

- Type III

Ontonagon-White Pine

- Type III

. MINNESOTA

Arrowhead

Duluth - Type III

Authorized Districts

. MICHIGAN

Grand Rapids-Muskegon

Grand Rapids - Type I

(Additional Center in District)

. MINNESOTA

Region 2

None

. MINNESOTA
(cont)

Region 5

St. Cloud - Type II

(Additional Center not in District)

. WISCONSIN

Northwestern

None

COASTAL PLAINS REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

8. Coastal Plains Region

a. Classification of Centers

The analysis identified 8 Type I and 17 Type II growth centers in the Coastal Plains Region. Seven of the 8 Type I centers are economic development centers, and the remaining Type I center is contiguous to two authorized districts. Of the 17 Type II centers, 12 are EDC's, 1 is in a present district, and 4 are contiguous to present districts.

Eight of the Type II centers were designated as such on the basis of an insufficient total employment base, 3 lacked the necessary change in employment and also exhibited an insufficient employment base, and 8 did not meet the requisite population change between 1960 and 1970. One Standard Metropolitan Statistical Area-Atlanta, Georgia - would have been identified as a growth center except that it exceeded EDA's legislative population limit of 250,000.

Eleven EDC's and 4 RC's were classified as Type III growth centers. Of these 15 places, 10 lacked sufficient employment bases, 12 exhibited inadequate employment growth, and 11 declined or showed only a small increase in population.

A list of the centers and their classifications is presented in Table 20. A statistical description of each center is presented in Appendix C.

TABLE 20

ANALYSIS RESULTS FOR THE COASTAL PLAINS REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Aiken-N. Augusta (Aiken), S.C.	Albany (Dougherty), Ga.	Americus (Sumter), Ga.
	Athens (Clarke), Ga.	Augusta (Richmond), Ga.	Bainbridge (Decatur), Ga.

TABLE 20 (CONTINUED)
COASTAL PLAINS REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers (continued)	Brunswick (Glynn), Ga. Carrollton (Carroll), Ga. Dothan (Dale-Houston), Ala. Greenwood (Greenwood), S.C. Wilmington (New Hanover Burnswick), N.C.	Dublin-East Dublin (Laurens), Ga. Fayetteville (Cumberland), N.C. Florence-Darlington (Florence-Darlington), S.C. Hinesville (Liberty), Ga. Kinston (Lenoir), N.C. Milledgeville (Baldwin), Ga. Panama City (Bay), Fla. Tifton (Tift), Ga. Valdosta (Lowndes), Ga. Waycross (Ware), Ga.	Columbus (Muscogee), Ga. Goldsboro (Wayne), N.C. LaGrange (Troup), Ga. Marianna (Jackson), Fla. Montgomery (Jackson), Fla. New Bern (Craven), N.C. Swainsboro (Emanuel), Ga. Washington (Beaufort), N.C. Williamston (Martin), N.C.

TABLE 20 (CONTINUED)
COASTAL PLAINS REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Redevelopment Centers	None	None	Greenville (Butler), Ala. Greenville (Pitt), N.C. Orangeburg (Orangeburg), S.C. Troy (Pike), Ala.
Additional Growth Centers	Charleston (Charleston-Berkley), S.C.	Columbia (Richland), S.C. Gainesville (Alachua), Fla. Jacksonville (Onslow), N.C. Pensacola (Escambia), Fla. Tallahassee (Leon), Fla.	None
Growth Centers Over 250,000	Atlanta, Ga.	None	None

b. Findings by Economic Development District

The Coastal Plains Region contains 20 designated economic development districts and four authorized districts. Seven of the designated EDD's contain a Type I growth center. In addition, when the districts are modified by adding contiguous counties related by trade and commuting patterns, the Waccamaw District of South Carolina includes Charleston, a Type I growth center. Nine of the remaining designated districts include at least 1 Type II center; 2 of the 4 authorized districts have a Type II growth center in a county contiguous to the district.

Findings for these districts are as follows:

Designated Districts

. ALABAMA

Central

Greenville - Type III
Montgomery - Type III
Troy - Type III

Southeast

Dothan - Type I

. FLORIDA

Northwest Florida

Marianna - Type III
Panama City - Type II
Pensacola - Type II
(Additional Center not in District)
Tallahassee - Type II
(Additional Center not in District)

. GEORGIA

Central Savannah River

Augusta - Type II
Swainsboro - Type III

Chattahoochee-Flint

Carrollton - Type I
La Grange - Type III

Coastal Area

Brunswick - Type I
Hinesville - Type II

. GEORGIA
(cont)

Coastal Plain

Tifton - Type II
Valdosta - Type II

Heart of Georgia

Dublin-E. Dublin - Type II

Lower Chattahoochee Valley

Columbus - Type III

Middle Flint

Americus - Type III

Northeast Georgia

Athens - Type I

Oconee

Milledgeville - Type II

Slash Pine

Waycross - Type II

Southwest

Albany - Type II
Brainbridge - Type III

. NORTH CAROLINA

Mid-East

Greenville - Type III
Washington - Type III
Williamston - Type III

Neuse River

Goldsboro - Type III
Jacksonville - Type II
(Additional Center in District)
Kinston - Type II
New Bern - Type III

. NORTH CAROLINA
(cont)

Southeastern

Fayetteville - Type II
Wilmington - Type I

. SOUTH CAROLINA

Lower Savannah

Aiken-N. Augusta - Type I
Orangeburg - Type III

Pee Dee

Florence-Darlington - Type II

Upper Savannah

Greenwood - Type I

Authorized Districts

. FLORIDA

North Central

Gainesville - Type II
(Additional Center not in District)

. NORTH CAROLINA

Albemarle

None

. SOUTH CAROLINA

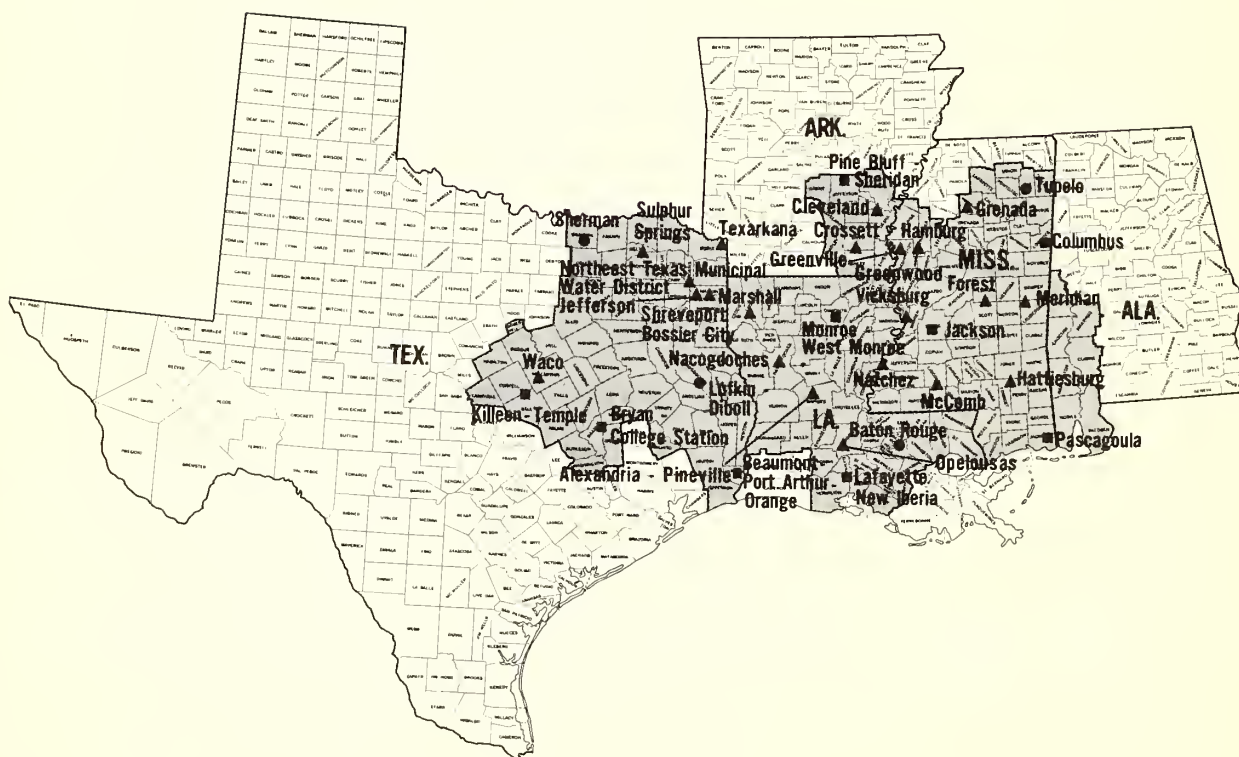
Santee Wateree

Columbia - Type II
(Additional Center not in District)

Waccamaw

Charleston - Type I
(Additional Center not in District)

SOUTH CENTRAL REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

9. South Central Region

a. Classification of Centers

The analysis identified 4 Type I and 9 Type II growth centers in the South Central Region. Two of the 4 Type I centers are economic development centers, and two are located in separate authorized districts. Of the 9 Type II growth centers, seven are economic development centers, one is in a presently authorized district, and another is contiguous to a designated district. Six of the Type II growth centers exhibited an insufficient employment base to be selected as Type I, while the other 3 declined in population between 1960 and 1970. One Standard Metropolitan Statistical Area - Dallas, Texas - was identified as a growth center, but exceeded the legislative population limit of 250,000.

Fourteen EDC's and 7 RC's were classified as Type III growth centers through the analysis. Of the 21 such places, 13 lacked a sufficient employment base, 12 exhibited inadequate employment growth, and all declined or showed only a small increase in population.

A list of the centers is presented in Table 21. A statistical description of each center is presented in Appendix C.

TABLE 21

ANALYSIS RESULTS FOR THE SOUTH CENTRAL REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Center	Baton Rouge (E. Baton Rouge), La.	Bryan College Station (Brazos), Tex.	Bossier City/Shreveport (Bossier, Caddo), La.
	Nacogdoches-Lufkin-Diboll (Nacogdoches-Angelena), Tex.	Jackson (Hinds), Miss.	Crossett-Hamburg (Ashley), Ark.
		Killeen-Temple (Bell), Tex.	Forest (Scott), Miss.

TABLE 21 (CONTINUED)

SOUTH CENTRAL REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers (continued)		Lafayette-New Iberia (Lafayette), La. Monroe-West Monroe (Ouachita), La. Pascagoula (Jackson), Miss. Pine Bluff-Sheridan (Jefferson), Ark.	Grenada (Grenada), Miss. Hattiesburg (Forrest), Miss. Marshall (Harrison), Tex. McComb (Pike), Miss. Meridian (Lauderdale), Miss. Natchez (Adams), Miss. Northeast Texas Municipal Water District (Cass, Camp, Morris, Upshaw), Tex. Sulfur Springs (Hopkins), Tex. Texarkana (Bowie), Tex.

TABLE 21 (CONTINUED)
SOUTH CENTRAL REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers (continued)			Vicksburg (Warren), Miss. Waco (McLennan), Tex.
Redevelopment Centers	None	None	Alexandria-Pineville (Rapides), La. Cleveland (Bolivia), Miss. Greenville (Washington), Miss. Greenwood (LeFlore), Miss. Jefferson (Marion), Tex. Natchitoches (Natchitoches), La. Opelousas (St. Landry), La.
Additional Growth Centers	Sherman (Grayson), Tex. Tupelo (Lee), Miss.	Beaumont-Port Arthur-Orange (Orange), Tex. Columbus (Lowndes), Miss.	None

TABLE 21 (CONTINUED)

SOUTH CENTRAL REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Growth Centers Over 250,000	Dallas, Tex	None	None

b. Findings by Economic Development District

There are 19 designated or authorized economic development districts in the South Central Region. The 4 Type I growth centers are located in four separate districts - two authorized and two designated. Six of the districts have 1 Type II growth center. One district, if modified, would have 1 Type II growth center. Seven districts have neither a Type I nor a Type II growth center.

The findings for each district are presented below:

Designated Districts

. ARKANSAS

Southeast

Crossett-Hamburg - Type II
Pine Bluff-Sheridan - Type II

. LOUISIANA

Capital

Baton Rouge - Type I

Evangeline

Lafayette-New Iberia -
Type I
Opelousas - Type III

Kisatchie-Delta

Alexandria-Pineville
- Type III

. LOUISIANA
(cont)

North Delta

Monroe-West Monroe - Type II

Northwest

Natchitoches - Type III
Shreveport-Bossier City -
Type III

. MISSISSIPPI

Central

Jackson - Type II
Vicksburg - Type III

East Central

Forest - Type III
Meridian - Type III

North Central

Greenwood - Type III
Grenada - Type III

South Delta

Cleveland - Type III
Greenville - Type III

Southern

Hattiesburg - Type III
Pascagoula - Type II

Southwest

McComb - Type III
Natchez - Type III

. TEXAS

Brazos Valley

Bryan-College Station -
Type II

Central

Killeen-Temple - Type II
Waco - Type III

. TEXAS
(cont)

Deep East

Beaumont-Port Arthur-Orange -
Type II
(Additional Center not in District)
Nacogdoches-Lufkin-Diboll -
Type I

North East

Jefferson - Type III
Marshall - Type III
Northeast Texas Municipal
Water District - Type III
Sulphur Springs - Type III
Texarkana - Type III

Authorized Districts

. MISSISSIPPI

Golden Triangle

Columbus - Type II
(Additional Center in District)

Northeast

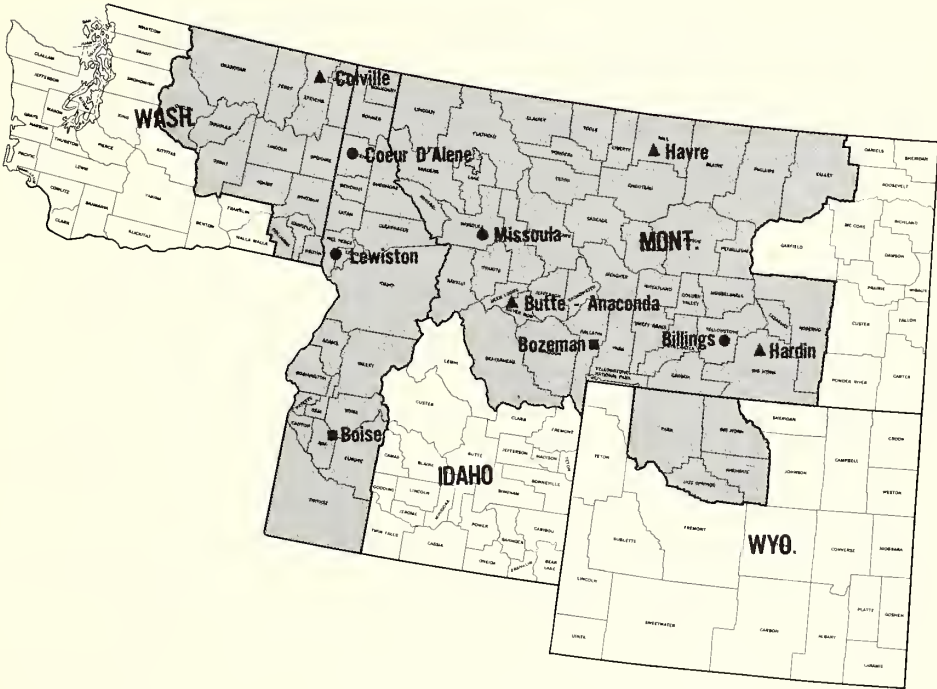
Tupelo - Type I
(Additional Center in District)

. TEXAS

North Central

Sherman - Type I
(Additional Center in District)

NORTHWEST REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

10. Northwest Region

a. Classification of Centers

The analysis identified 4 Type I growth centers and 2 Type II centers in the Northwest Region. The 4 Type I centers included only one presently designated economic development center: Lewiston, Idaho. The other 3 Type I centers were additional growth centers. Two other places were identified as Type II growth centers. Both lacked a sufficient manufacturing employment base to be identified as Type I centers.

Two EDC's and two RC's were classified as Type III on the basis of an inadequate employment base and a decline in population. Table 22 depicts the findings for this region, which are presented in more detail in Appendix C.

TABLE 22

ANALYSIS RESULTS FOR THE NORTHWEST REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Lewiston (Nez Perce), Idaho	None	Hardin (Big Horn), Mont. Havre (Hill), Mont.
Redevelopment Centers	None	None	Butte-Anaconda (Silver Bow, Deer Lodge), Mont. Colville (Stevens), Wash.

TABLE 22 (CONTINUED)

NORTHWEST REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Additional Growth Centers	Billings (Yellowstone), Mont. Coeur D'Alene (Kootenai), Idaho Missoula (Missoula), Mont.	Boise (Ada), Idaho Bozeman (Gallatin), Mont.	. None

b. Findings by Economic Development District

Eight economic development districts make up the Northwest Region. Five are designated districts and 3 are authorized districts.

Three economic development centers and two redevelopment centers are located within the 5 designated districts. Only Lewiston, an EDC in Clearwater District in Idaho, was selected as a Type I center. In the Big Horn District, Hardin was classified as Type III, but Billings, a Type I center, could be incorporated into the district by adding Yellowstone County.

In the Trico District in Washington, the redevelopment center of Colville was also classified as Type III and no center was identified to take its place. In the Inter-County District in Montana, the existing redevelopment center of Butte-Anaconda was classified as Type III through the analysis, but two other towns were identified as centers: Bozeman as a Type II center and Missoula as a Type I center, the latter outside present district boundaries.

Growth centers were identified for both of Idaho's authorized districts. Coeur D'Alene was identified as a Type I center in the Northern District and Boise was identified as an additional growth center for the Southwestern District.

The findings for each district are presented below.

Designated Districts

. IDAHO

Clearwater

Lewiston - Type I

. MONTANA

Bear Paw

Havre - Type III

Big Horn

Billings - Type I

(Additional Center not in District)

Hardin - Type III

Inter-County

Bozeman - Type II

(Additional Center in District)

Butte-Anaconda - Type III

Missoula - Type I

(Additional Center not in District)

. WASHINGTON

Trico

Colville - Type III

Authorized Districts

. IDAHO

Northern Idaho

Coeur D'Alene - Type I

(Additional Center in District)

Southwestern

Boise - Type II

(Additional Center in District)

. WASHINGTON

Upper Columbia

None

FAR WEST REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

11. Far West Region

a. Classification of Centers

The analysis identified only 1 Type I growth center, and 4 Type II centers in the Far West Region. Three of the growth centers - 1 Type I and 2 Type II - were additional growth centers in authorized districts. Portland, Oregon; Seattle, Washington; and Sacramento, California, would have been identified as Type I growth centers if their populations had not exceeded the 250,000 legislative limit. Two RC's were identified as Type II growth centers because they had inadequate manufacturing employment bases.

A list of growth centers is presented in Table 23. A statistical description of each center is presented in Appendix C.

TABLE 23

ANALYSIS RESULTS FOR THE FAR WEST REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	None	None	None
Redevelopment Centers	None	Grass Valley-Auburn (Nevada, Placer) Calif. South Lake Tahoe (El Dorado), Calif.	None

TABLE 23 (CONTINUED)

FAR WEST REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Additional Growth Centers	Medford (Jackson), Ore.	Redding (Shasta), Calif. Takoma (Pierce), Wash.	None
Growth Centers Over 250,000	Portland, Ore. Sacramento, Calif. Seattle, Wash.	None	None

b. Findings by Economic Development District

The Far West Region contains 7 districts:

- . 1 designated;
- . 1 funded; and
- . 5 authorized.

The region contains no economic development centers and only 2 redevelopment centers, both in the Sierra District of California. Three additional growth centers were identified in 3 authorized districts.

The findings for each district are as follows:

Designated Districts

. CALIFORNIA

Sierra

Grass Valley-Auburn -
Type II
South Lake Tahoe - Type II

Authorized Districts

. CALIFORNIA

North Coast

None

Superior

Redding - Type II
(Additional Center in District)

. OREGON

District Eight

Medford - Type I
(Additional Center in District)

. WASHINGTON

Central Puget Sound

Takoma - Type II
(Additional Center in District)

South Puget Sound

None

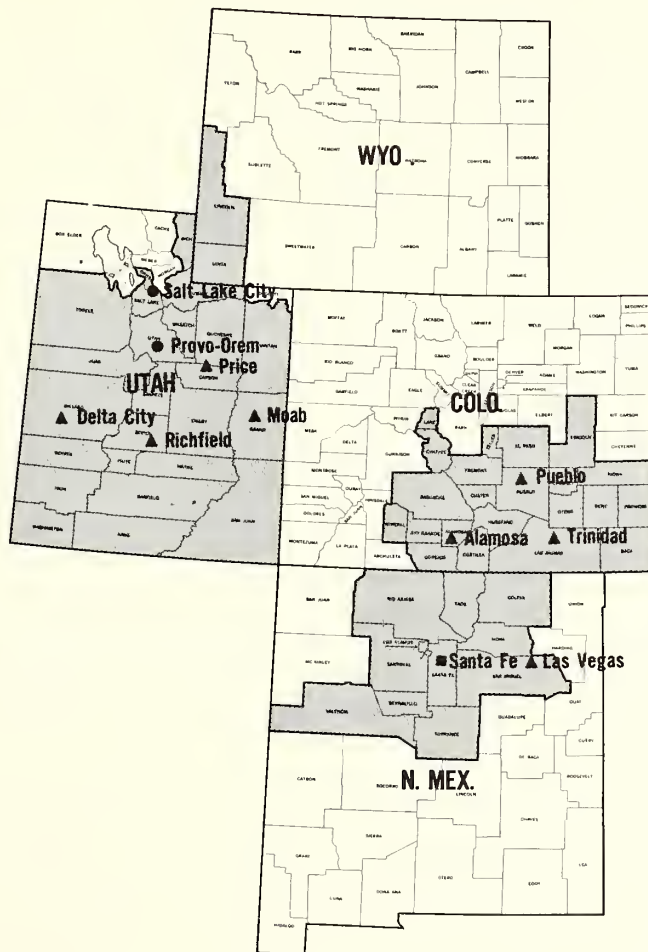
Funded Districts

. OREGON

Mid-Columbia

None

SOUTHWEST REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

12. Southwest Region

a. Classification of Centers

Two Type I growth centers and 3 Type II centers were identified in the Southwest Region. Both Type I growth centers are additional growth centers (Provo-Orem and Salt Lake City, Utah) that could be added to neighboring economic development districts.

One of the Type II growth centers is a present EDC. The other 2 are additional growth centers which are in counties contiguous to designated districts. All 3 Type II centers lacked the manufacturing employment base necessary to be identified as a Type I growth center. Four EDC's and 4 RC's were classified as Type III on the basis of an insufficient employment base and a decline in population.

A list of center classifications is presented in Table 24. A statistical description of each center is presented in Appendix C.

TABLE 24

ANALYSIS RESULTS FOR THE SOUTHWEST REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	None	Santa Fe (Santa Fe), N. Mex.	Alamosa (Alamosa), Colo. Delta City (Millard), Utah Pueblo (Pueblo), Colo. Trinidad (Las Animas) Colo.

TABLE 24 (CONTINUED)

SOUTHWEST REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Redevelopment Centers	None	None	Las Vegas (San Miguel), N. Mex. Moab (Grand), Utah Price (Carbon), Utah Richfield (Sevier), Utah
Additional Growth Centers	Provo-Orem (Utah), Utah Salt Lake City (Salt Lake), Utah	Albuquerque (Bernalillo), N. Mex. Colorado Springs (El Paso), Colo.	None

b. Findings by Economic Development District

The Southwest Region includes 4 designated economic development districts and 1 authorized district. In the North Central New Mexico District, Santa Fe was identified as a Type II growth center, while Las Vegas, a redevelopment center, was classified as Type III. In addition, Albuquerque could be added to the district as an additional Type II growth center.

In the Southern Colorado District, all 3 EDA growth centers were classified as Type III. The 4 growth centers presently designated in the Southeastern and Six-County Utah Districts were also classified as Type III. However, a redevelopment area in the Six-County District could be served by Provo-Orem and Salt Lake City, which are in counties contiguous to the district.

The analysis findings are presented by district below:

Designated Districts

. COLORADO

Southern

Alamosa - Type III
Colorado Springs - Type II
(Additional Center not in District)
Pueblo - Type III
Trinidad - Type III

. NEW MEXICO

North Central

Albuquerque - Type II
(Additional Center not in District)
Las Vegas - Type III
Santa Fe - Type II

. UTAH

Six-County

Delta City - Type III
Provo-Orem - Type I
(Additional Center not in District)
Richfield - Type III
Salt Lake City - Type I
(Additional Center not in District)

Southeastern

Moab - Type III
Price - Type III

Authorized Districts

. UTAH

Southwest

None

RIO GRANDE REGION



KEY

- TYPE I — GROWTH CENTERS
- TYPE II — GROWTH CENTERS
- ▲ TYPE III — GROWTH CENTERS

13. Rio Grande Region

a. Classification of Centers

The analysis identified 1 Type I growth center and 3 Type II centers in the Rio Grande Region. The Type I center is the economic development center of Victoria. The Type II centers are two present RC's, (Del Rio and Laredo) and Eagle Pass, which is an additional growth center. Three redevelopment centers and two EDC's were classified as Type III.

Although Corpus Christi met the economic criteria for a Type II center, it was classified as Type III because the nearest RA county is more than 70 miles away. San Antonio would have been selected as a growth center if its population had not exceeded the 250,000 legislative limit. A list of the centers is given in Table 25, and a statistical description is presented in Appendix C.

TABLE 25

ANALYSIS RESULTS FOR THE RIO GRANDE REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Economic Development Centers	Victoria (Victoria), Tex.	None	Corpus Christi- Aransas Pass (Neuces, Aransas), Tex. McAllen (Hidalgo), Tex.
Redevelopment Centers	None	Del Rio (Valverde), Tex. Laredo (Webb), Tex.	Brownsville- Harlingen (Cameron), Tex. Uvalde (Uvalde), Tex.

TABLE 25 (CONTINUED)

RIO GRANDE REGION

CATEGORY OF CENTER	TYPE I	TYPE II	TYPE III
Additional Growth Centers	None	Eagle Pass (Maverick), Tex.	None
Growth Centers Over 250,000	San Antonio, Tex.	None	None

b. Findings by Economic Development District

The Rio Grande Region is comprised of 4 designated districts. The Coastal Bend District has a Type I growth center, while the Middle Rio Grande has 2 Type II centers, one of which is presently designated as an RC. The South Texas District has one Type II redevelopment center, while the Lower Rio Grande Valley District has only Type III centers.

The findings for each district are presented below:

Designated Districts

. TEXAS

Coastal Bend

Corpus Christi-Aransas Pass
- Type III
Victoria - Type I

Lower Rio Grande Valley

Brownsville-Harlingen - Type III
McAllen - Type III

Middle Rio Grande

Del Rio - Type II

. TEXAS
(cont)

Middle Rio Grande (cont)

Eagle Pass - Type II
(Additional Center in District)
Uvalde - Type III

South

Laredo - Type II

IV. SUPPORTING ANALYSES

PART ONE - POPULATION AND MIGRATION STUDY

A. INTRODUCTION

To support the findings of the in-depth analysis and the National Assessment, a study was conducted to investigate population and migration characteristics of areas in which EDA has implemented its growth center strategy. There were three parts to the study. Part I involved determining whether EDA-designated economic development centers and redevelopment centers are migration centers; that is, places that have experienced substantial net in-migration. This segment of the study also investigated absolute population change in EDC's and RC's.

In Part II, the migration and population characteristics of EDA-associated districts were examined to determine whether these districts are experiencing out-migration and loss of population. This data was compiled in aggregate form for districts in the 12^{1/} regions structured for the National Assessment and depicted in Figure 13 on page 76. The assumption that growth centers serve districts as migration centers and circumvent the movement of migrants to large, overburdened cities was also examined in this portion of the study. Part III involved an investigation of the population and migration trends in all districts and a comparison with national trends.

B. CONCLUSIONS

1. Part I

The hypothesis that people are migrating to EDA growth centers has been tested and found to be false. 75% of all EDA growth center counties underwent net out-migration during the 1950-60 decade: 70% of economic development centers and 84% of redevelopment centers. This trend increased during the following decade, when 84% underwent net out-migration: 77% of economic development centers and 97% of redevelopment centers.

^{1/}The thirteenth region, Terre Haute, was excluded because it consists of only four counties and one EDC, which is an SMSA.

- . In addition, 42% of the counties in which EDA growth centers are located declined in absolute population during both decades.
- . Moreover, 37% of all EDA growth centers had net out-migration rates exceeding those of their districts during the decade 1960-70: 30% of economic development centers and 48% of redevelopment centers.
- . Redevelopment centers appear to be declining more rapidly than economic development centers. 97 percent of the RC's experienced net out-migration during the last decade. Moreover, 59 percent of the RC's declined in absolute population between 1950 and 1960, as opposed to 64% during the 1960-70 period.
- . EDC's and RC's in the Great Lakes Region, Northwest, Southwest, New England, and Tennessee-Green Valley Regions appear to have been losing population more rapidly than non-EDC and non-RC counties in those regions. This was also the case, but to a lesser extent, in the Rio Grande Region, Ozarks, Coastal Plains, South Central, and Appalachian Regions.

2. Part II

- . Loss of population in rural districts seems to be ending. For the most part, the districts showed no absolute decline in population, a circumstance due largely to a decrease in out-migration rates. This trend has occurred despite the fact that a large number of EDC's and RC's have declined in overall population.
- . Only 4 regions (Appalachia, Tennessee-Green Valley, Ozarks, and Southwest) declined in overall population during the 1950-1960 period and all regions increased in population during the 1960-1970 period.
- . Despite increases in absolute population, most districts are experiencing net out-migration. However, out-migration from districts over the decade between 1960 and 1970 has not been large enough to contribute significantly to the burdens of the nation's cities.
- . Of the 12 regions in which districts are located, 9 underwent net out-migration during the 1950-1960 decade, and 10 had net out-migration during the following decade.
- . Districts in Appalachia accounted for 50.6% of out-migration for all districts during the first decade and 35.3% during the following decade.

- Only 1 region, the Northwest, had more out-migrants during the second decade than in the previous 10 years. The Rio Grande Region had in-migration during the latter period; the Ozarks had net out-migration during the first period and net in-migration during the second period.

3. Part III

- The percent of the total U.S. population residing in economic development districts recognized by EDA has declined steadily over the last two decades. Absolute population change within all districts was far below that of the nation as a whole.
- During the 20-year span between 1950 to 1970, population in all EDD's increased only 7% while the national population increased by 34.8%.

C. DETAILED FINDINGS

1. Part I: Demographic Characteristics of EDC's and RC's

This study contradicts the assumption that EDC's and RC's are migration centers for their respective districts.^{1/} Seventy percent of the EDC's had net out-migration during the 1950-1960 decade; 84 percent of the RC's experienced net out-migration during the same period. In the 1960-1970 decade, the percent of EDC's having net out-migration increased to 77 percent, while 97 percent of the RC's had net out-migration.

Net out-migration need not imply an absolute decrease in population. Yet, 34 percent of the EDC's declined in overall population during the first decade and 32% during the 1960 to 1970 period. The absolute population decline in redevelopment centers was even higher, with 59 percent of the RC's declining in overall population during the first time period and 64% during the latter decade.

Migration and population characteristics of EDC's and RC's located in different regions varied significantly. All EDC's and RC's in the New England, Northwest, Rio Grande, and South-

^{1/}

The number of EDC's and RC's included in this study differ from the number in the main body of the National Assessment for two reasons: 1) counties which include more than one growth center are treated as individual units of analysis (An example is Bristol County, Mass., which included three EDC's: Fall River, Taunton and New Bedford, and was treated as one EDC); and one EDC, was excluded from analysis.

west Regions underwent out-migration during the 1960 to 1970 period. More than 80 percent of the EDC's and RC's in Appalachia the Coastal Plains, Tennessee-Green Valley, the Great Lakes, and the South Central Regions underwent out-migration during the same period. In all of these regions the number of EDC's and RC's having out-migration increased over that of the 1950-1960 decade.

In the Ozarks Region, the situation improved. Of the 32 growth centers^{1/} in this region, 29 experienced out-migration during the first decade, and this figure decreased to 21 centers between 1960 and 1970. In only two regions - Delmarva (two EDC's) and the Far West (two RC's) - did the centers show no out-migration in either time period. Overall, 75 percent of the EDC's and RC's had out-migration during the 1950-1960 decade and this figure increased to 84 percent in the following decade. Summary migration statistics for EDC's and RC's are presented in Table 26. Data sources are Current Population Reports, Population Estimates and Projections, Series P-25, No. 461, June 1971, U.S. Dept. of Commerce, Bureau of the Census; and County & City Data Book (A Statistical Abstract Supplement) (1967), U.S. Dept. of Commerce, Bureau of the Census.

In 84 of the 197 growth center counties, out-migration exceeded natural population growth during the last decade. This is interesting for several reasons. First, these counties obviously do not serve as migration nodes. Second, such counties are usually located in a region that is increasing in overall population. Several examples of this can be cited.

- . In New England, 11 of the 12 centers had out-migration rates that exceeded the region's, and only 2 growth center counties had population increases slightly above the regional rate. EDC and RC counties had 64,512 out-migrants; the remaining counties had 42,534 in-migrants.
- . In the Northwest Region, 3 of the 5 growth center counties declined in overall population; 4 had out-migration rates that exceeded the region's, and only 1 center had an increase in population that exceeded the regional rate. EDC and RC counties had 18,383 out-migrants or approximately 57% of the out-migrants for the entire region.
- . In the Southwest Region, 6 of the 9 growth center counties declined in overall population, 7 had out-migration rates that exceeded the region's; and only 3 of the centers grew in overall population. Overall

^{1/} "Growth centers" hereafter refers to both EDC's and RC's.

EDC AND RC MIGRATION DATA, BY REGION, *

FOR 1950-60 AND 1960-70

REGION	ECONOMIC DEVELOPMENT CENTERS		REDEVELOPMENT CENTERS	
	Number with Net Out-migration 1950-1960	Number with Net Out-migration 1960-1970	Number with Net Out-migration 1950-1960	Number with Net Out-migration 1960-1970
New England	5 (83%)**	6 (100%)	4 (66%)	6 (100%)
Delmarva	0 (--)	0 (--)	No RC's	No RC's
Appalachia	18 (78%)	19 (83%)	12 (100%)	12 (100%)
Ozarks	22 (88%)	14 (56%)	7 (100%)	7 (100%)
Tennessee- Green Valley	6 (67%)	7 (78%)	5 (100%)	5 (100%)
Great Lakes	2 (50%)	3 (75%)	8 (73%)	11 (100%)
Coastal Plains	18 (60%)	25 (83%)	4 (100%)	4 (100%)
South Central	16 (70%)	18 (78%)	6 (86%)	7 (100%)
Northwest	1 (33%)	3 (100%)	2 (100%)	2 (100%)
Southwest	4 (80%)	5 (100%)	3 (75%)	4 (100%)
Far West	No EDC's	No EDC's	0 (--)	0 (--)
Rio Grande	1 (33%)	3 (100%)	3 (75%)	4 (100%)
Total (All Regions)	93 (70%)	103 (77%)	54 (84%)	62 (97%)

* The Terre Haute Region was excluded for the reasons cited earlier

** Bracketed figures indicate percent of total EDC's or RC's in the region with net out-migration

out-migration from EDC and RC counties exceeded that of non-EDC and non-RC counties.

- . In the Great Lakes Region, 9 of the 15 growth center counties declined in overall population; 2 increased less than the regional population rate; and 4 centers were above the regional rate. The region increased in population by 9.2 percent and had an out-migration rate that was lower than all but one of its EDC or RC counties. Overall, EDA and RC counties had 49,610 out-migration; the non-EDC and non RC counties had 554 in-migrants.
- . In the Tennessee-Green Valley Region, 10 of the 14 growth center counties had out-migration rates exceeding the region's; 8 declined in overall population; and only 4 increased in population above the regional rate.

This situation prevailed to a lesser extent in the Rio Grande, Ozarks, Coastal Plains, South Central, and Appalachian Regions. The Far West and Delmarva Regions did not appear to follow this trend.^{2/} Table 27 summarizes each region's EDC and RC population change characteristics. The data sources for this and following charts are the same as those cited for Table 26.

An overview of aggregate EDC and RC county migration characteristics by region and district is provided in Table 28. The most populous region, the South Central Region, is made up of 19 districts. Three of these districts do not have designated EDC counties, 6 districts have EDC counties with net out-migration, 2 districts have RC counties with net out-migration, and 4 districts have both EDC and RC counties with net out-migration. A similar situation exists in the second most populous region, Appalachia, which has 25 districts: 10 without designated EDC or RC counties, 7 with EDC counties having net out-migration, 4 with RC counties having net out-migration, and 1 with both EDC and RC counties having net out-migration. From a national viewpoint, of 139 authorized districts, 38 do not have designated centers, 39 have EDC counties with net out-migration, 17 districts have RC counties with net out-migration, and 16 districts have both EDC and RC counties with net out-migration.

^{2/} It should be noted that six of the seven districts in the Far West Region do not have designated centers; the remaining district has two redevelopment center counties. The Delmarva Region has only one district which includes two EDC counties.

EDC AND RC POPULATION DATA, BY REGION,*

FOR 1950-60 AND 1960-70

REGION	ECONOMIC DEVELOPMENT CENTERS		REDEVELOPMENT CENTERS	
	Number with Absolute Population Losses 1950-1960	Number with Absolute Population Losses 1960-1970	Number with Absolute Population Losses 1950-1960	Number with Absolute Population Losses 1960-1970
New England	3 (50%)**	4 (66%)	1 (17%)	1 (17%)
Delmarva	0 (--)	0 (--)	No RC's	No RC's
Appalachia	5 (22%)	7 (30%)	10 (83%)	12 (100%)
Ozarks	16 (64%)	8 (32%)	7 (100%)	3 (43%)
Tennessee-Green Valley	5 (56%)	3 (33%)	5 (100%)	5 (100%)
Great Lakes	0 (--)	2 (50%)	5 (46%)	7 (64%)
Coastal Plains	5 (17%)	7 (23%)	2 (50%)	2 (50%)
South Central	8 (35%)	7 (31%)	4 (57%)	5 (71%)
Northwest	0 (--)	1 (33%)	1 (50%)	2 (100%)
Southwest	3 (60%)	3 (60%)	3 (75%)	3 (75%)
Far West	No EDC's	No EDC's	0 (--)	0 (--)
Rio Grande	0 (--)	1 (33%)	0 (--)	1 (25%)
Total (All Regions)	45 (34%)	43 (32%)	38 (59%)	41 (64%)

* The Terre Haute Region was excluded for the reasons cited earlier

** Bracketed figures indicate percent of total EDC's or RC's in the region with absolute losses in population

TABLE 28*

AGGREGATE EDC AND RC COUNTY MIGRATION CHARACTERISTICS

BY REGION AND DISTRICT: 1960 - 1970

REGIONS*	DISTRICTS									
	No EDC No RC	-EDC No RC	-RC No EDC	-EDC -RC	-EDC +RC	+RC No EDC	+EDC No RC	+EDC -RC	Total Districts	
New England	1	2	2	1	0	0	0	0	6	
	0	0	0	0	0	0	1	0	1	
Delmarva										
Appalachia	10	7	4	1	0	0	2	1	25	
Ozarks	1	3	1	1	1	1	6	2	16	
Tennessee-Green Valley	5	2	1	2	0	1	2	0	13	
	4	2	2	1	0	1	0	1	11	
Great Lakes										
Coastal Plains	4	13	0	3	0	0	4	0	24	
South Central	3	6	2	4	0	0	4	0	19	
Northwest	3	2	2	0	0	0	1	0	8	
Southwest	1	1	1	2	0	0	0	0	5	
Far West	6	0	0	0	0	1	0	0	7	
Rio Grande	0	1	2	1	0	0	0	0	4	
TOTALS	38	39	17	16	1	4	20	4	139	

*The Terre Haute Region is excluded for the reasons cited earlier.

" - " signifies a county with net out-migration.

" + " signifies a county with net in-migration.

2. Part II. Demographic Characteristics of Economic Development Districts

The regions in which the districts are located all increased in total population during the last decade, ranging from an 0.7 percent increase for the Southwest to 23.5 percent increase in the Far West. During the previous decade (1950-1960), four regions - Appalachia, Tennessee-Green Valley, Ozarks, and Southwest - decline. The reversal between the two decades seems to be connected to a decrease in the out-migration rate for the latter four regions. This is summarized in Table 29.

During the first decade, 9 of the 12 regions had overall net out-migration, ranging from 3.0 percent for Delmarva to 42.3 percent for the Southwest. The number of migrants leaving the 12 regions during this period was 5,486,881, with Appalachia accounting for 50.6 percent of the total. Between 1960 and 1970, 10 of the 12 regions had out-migration but the absolute magnitude declined 29 percent. Appalachia again contributed the largest share with 35.3 percent of the total. The numbers of migrants by region, district, EDC, and RC for the decade 1960 and 1970 are presented in Appendix G.

Significant declines in out-migration occurred within specific regions. Out-migration from New England was 86.8 percent lower during the last decade than during the 1950 to 1960 period. In the Great Lakes, out-migration declined 82.3 percent; in Appalachia it declined 79.8 percent; in the Southwest by 73.4 percent; and in the Tennessee-Green Valley Region, it declined by 58 percent. Out-migration also declined, but to a lesser extent, in Delmarva, the Coastal Plains, and South Central Region and actually reversed direction for the Ozarks. If these trends continue, the "rural exodus" will be a thing of the past for EDA's rural counties.

In order to give the overall picture some perspective, consideration should be given to what is happening within these regions as the rate of out-migration declines. Each of the regions cited above is gaining in overall population; each has EDC's and RC's with out-migration rates which exceed that of the region; and, more significantly, each has EDC's and RC's which are declining in overall population. This latter point is important. If the rate of out-migration continues to decline and non-EDC, non-RC residents elect to remain outside the designated growth centers, then growth centers may become "ghost" centers in less than 20 years.

The view that EDC's and RC's could become migration centers for district residents in order to take the pressure off already

TABLE 29

MIGRATION AND POPULATION CHANGE, BY REGION,*
FOR 1950-60 AND 1960-70

REGION	REGIONAL MIGRATION RATES		REGIONAL POPULATION CHANGES	
	1950-1960	1960-1970	1950-1960	1960-1970
New England	-8.9%	-1.1%	9.5%	9.4%
Delmarva	-3.0%	-1.7%	16.4%	7.6%
Appalachia	-34.6%	-8.6%	-18.5%	2.3%
Ozarks	-20.3%	0.9%	-6.1%	7.0%
Tennessee-Green Valley	-15.4%	-6.5%	-0.5%	4.9%
Great Lakes	-10.3%	-1.7%	8.7%	9.2%
Coastal Plains	-15.2%	-8.9%	5.4%	8.0%
South Central	-9.9%	-5.2%	10.6%	9.0%
Northwest	0	-7.3%	18.2%	1.3%
Southwest	-42.3%	-13.4%	-16.1%	0.7%
Far West	10.8%	12.7%	25.9%	23.5%
Rio Grande	43.9%	-20.4%	66.7%	1.7%

* The Terre Haute Region is excluded for the reasons cited earlier.

overburdened cities is misleading. This argument assumes that out-migration from the districts is large enough to contribute significantly to the problems of the cities. If the fact that out-migrants could move anywhere is disregarded and the unrealistic assumption that all went to existing SMSA's is made, then each of the 224 SMSA's would have had to absorb 7,120 new residents over a 10-year period, or approximately 712 residents per year.

If this strict assumption is replaced with the assumption that district migrants moved to the 678 cities with populations exceeding 25,000, then each city would have had to absorb 235 new residents per year. This hardly seems to be a problem requiring a national commitment to employ a significant portion of the public sector's resources.

3. Part III: National Comparisons

Very little reported in this section is analytical; most of the findings are descriptive. Comparing district data to national data clearly indicates that economic development districts are not losing population despite their large out-migration rates. For all EDA-designated districts, population growth was slightly above 9.1 percent between 1950 and 1970, while national growth for the same period was 34.8 percent. In general, the districts, whether studied individually or grouped into regions, have gained in population over the last decade.

Several trends are worth mentioning, but do not clearly imply what the future holds for individual districts. First, despite an increase in the rate of population growth for the districts (from 1.5 percent for 1950-1960 to 7.5 percent for 1960-1970) and a decrease in the national rate (from 18.5 to 13.3 percent), the percent of the total U.S. population residing in EDA-associated districts has steadily declined over the last two decades. In 1950, 21.5 percent of the total U.S. population resided in areas that are now districts; this declined to 17.4 percent by 1970.

A second trend is the decline of the high natural population growth rate within districts. For the first decade, the natural rate was 18.4 percent; for the second decade, the natural rate dropped to 12.3 percent. The national rate for the same two periods was 16.7 percent and 12.8 percent. Thus, the decline in the district's natural rate exceeded the decline in the national rate by approximately 35 percent. This, coupled with the findings of the preceding paragraph, implies that the percent of the total U.S. population residing in EDA-associated districts will continue to decline sharply. National and regional data is summarized in Table 30.

TABLE 30
DISTRICT AND NATIONAL COMPARISONS

CATEGORIES OF ANALYSIS	DISTRICT	NATIONAL
Population		
. 1950	32,478,177 (21.5%)	150,697,361
. 1960	32,958,769 (18.4%)	179,323,175
. 1970	35,433,661 (17.4%)	203,184,772
Percent Change in Population		
. 1950-1960	1.5%	18.5%
. 1960-1970	7.5%	13.3%
Natural Rate of Increase		
. 1950-1960	18.4%	16.7%
. 1960-1970	12.3%	12.8%
Migration Characteristics		
. 1950-1960	-16.9% (Net Migration From All Districts)	-7.2% (Median Migration Rate for Non-District Counties)
. 1960-1970	-4.8% (Net Migration From All Districts)	

* Bracketed figures indicate percent of national population

PART TWO - CONTIGUOUS COUNTY EMPLOYMENT PROFILE

A. SCOPE OF STUDY

This section summarizes a study of employment changes in counties contiguous to Type I growth centers, Type II growth centers, and Type III EDC's and RC's. The results show that between 1950 and 1960 counties contiguous to both Type I and Type II growth centers usually had more favorable changes in their employment structure than did counties contiguous to Type III growth centers.

The average percentage change in total employment and the average percentage change in non-primary, non-military employment were computed for the contiguous counties of each Type I and Type II growth center and for Type III EDC's and RC's. Contiguous counties containing SMSA's or Type I growth centers were not included in the computations. In addition, these two percentage changes were computed separately for the contiguous redevelopment area counties. This provides two sets of measures for each growth center. These determine:

- . whether the growth center is favorably affecting its surrounding area; and
- . whether this impact, if there is any, is also being felt in nearby redevelopment areas.

B. RESULTS FOR ALL REGIONS COMBINED

Tables 31 and 32 present data on median percent change in total employment and in non-primary, non-military employment for counties contiguous to all EDA growth centers, by region and for all regions combined.

Table 31 shows that the percentage change in total employment is very small for all counties contiguous to Type I growth centers and that it is negative for such contiguous RA's. Since SMSA counties and counties containing Type I growth centers were excluded from the computations, the contiguous counties are mostly rural and have large agricultural sectors. Therefore, the decline in agriculture is the cause of the small increase or the decline in total employment for these centers.

The percentage change in total employment for the contiguous RA's is significantly lower for all three types of growth centers than the change for all contiguous counties.

TABLE 31
MEDIAN PERCENT CHANGE IN TOTAL EMPLOYMENT

REGION	ALL CONTIGUOUS COUNTIES			CONTIGUOUS RA COUNTIES		
	TYPE I	TYPE II	TYPE III	TYPE I	TYPE II	TYPE III
All Regions	1.5	-3.6	-9.9	-6.5	-9.5	-15.0
New England	-	1.9	-2.7	-	-0.7	-4.1
Delmarva	-	6.4	-	-	8.4	-
Terre Haute	-5.6	-	-	-3.3	-	-
Appalachia	9.4	-3.9	-8.7	8.6	-7.8	-8.8
Ozarks	-8.2	-14.5	-16.3	-15.5	-19.0	-22.0
Tennessee-Green Valley	-6.8	-9.1	-15.7	-8.5	-9.8	-17.7
Great Lakes	13.4	6.2	-3.1	10.3	2.5	-3.1
Coastal Plains	2.8	-4.0	-5.4	-8.2	-13.4	-17.0
South Central	-0.1	-2.8	-16.4	-5.6	-20.7	-23.0
Northwest	1.9	2.6	-8.3	-4.1	-12.1	-12.5
Southwest	6.8	-0.2	-12.1	2.6	-0.4	-19.5
Far West	8.3	23.1	-	8.3	24.9	-
Rio Grande	-1.1	-4.2	-9.7	-9.9	-11.6	-14.8

(-) Indicates that no growth center exists in the category

TABLE 32
MEDIAN PERCENT CHANGE IN NON-PRIMARY, NON-MILITARY EMPLOYMENT

REGION	ALL CONTIGUOUS COUNTIES			CONTIGUOUS RA COUNTIES		
	TYPE I	TYPE II	TYPE III	TYPE I	TYPE II	TYPE III
All Regions	31.9	23.5	13.5	29.0	22.3	12.5
New England	-	9.4	12.9	-	5.4	4.6
Delmarva	-	20.4	-	-	21.3	-
Terre Haute	14.4	-	-	17.1	-	-
Appalachia	38.5	23.5	16.0	41.1	25.9	13.5
Ozarks	24.9	13.9	12.1	24.9	11.1	9.7
Tennessee-Green Valley	29.4	21.9	10.6	32.3	19.8	11.0
Great Lakes	33.6	43.1	-1.6	28.0	40.4	-0.5
Coastal Plains	41.3	37.6	26.9	29.1	30.2	25.1
South Central	28.6	23.8	20.7	24.7	22.5	18.7
Northwest	18.1	21.2	7.4	16.7	12.9	4.7
Southwest	30.0	23.2	4.2	26.4	18.8	2.2
Far West	13.1	34.8	-	13.1	37.1	-
Rio Grande	21.4	17.7	10.7	17.2	10.6	8.7

(-) Indicates that no growth center exists in the category

RA counties are characterized by very low per capita incomes and/or very high unemployment rates. These low per capita incomes are indicative of agricultural sectors larger than those of contiguous non-RA counties. This, and the high unemployment rates would account for the larger decline in total employment in the contiguous RA counties.

Table 32 shows that the percentage change in non-primary, non-military employment is about 30 percent for both all counties and for RA counties contiguous to Type I growth centers. Both are about 23 percent for Type II growth centers. This indicates that (1) counties contiguous to Type I growth centers grew substantially in the manufacturing and service sectors and were thus able to absorb all of the decline in the primary sector; (2) counties contiguous to Type II growth centers had a smaller increase in non-primary, non-military employment and thus were not able to absorb as much of the decline in the primary sector; and (3) the contiguous RA's fared as well in non-primary, non-military employment changes but again were not able to absorb as much of the decline in the primary sector as the non-RA counties.

All of the contiguous counties for the Type III EDC's and RC's showed much larger declines in total employment and much smaller increases in non-primary, non-military employment than the counties contiguous to Type I and Type II growth centers.

C. RESULTS FOR INDIVIDUAL REGIONS

Tables 31 and 32 also show the median percentage employment changes for each region. For the Appalachia, Ozarks, Tennessee-Green Valley, South Central, Lower Rio Grande, and Southwest regions, all median percentage changes are higher for the Type I growth centers than for the Type II centers; and higher for the Type II centers than for the Type III places.^{1/}

^{1/}The New England region also fits this pattern, but it has no Type I growth centers. The median figures for the Type II growth centers are all higher than the median figures for the Type III places. The Terre Haute and Delmarva regions need only brief comment because they are both so small. The Terre Haute region is composed of one modified district and is essentially an SMSA with the addition of three outlying counties. Terre Haute was a Type I growth center because of its large industrial base and the contiguous counties reflect the impact of that base. The Delmarva region consists of one district and it has two Type II growth centers. The counties contiguous to both show the capacity to absorb the decline in the primary sector.

Three of the remaining four regions each show results differing slightly from the general pattern. All of the figures for the Great Lakes region are in the expected order except for non-primary, non-military employment for counties contiguous to the Type II growth centers. These are greater than the corresponding changes for the Type I centers. However, these larger increases in the non-primary sectors were not able to absorb as much of the decline in the primary sector. Also, counties contiguous to Type III places had a much smaller change in employment than counties contiguous to either Type I or Type II centers. The results for the Great Lakes are therefore consistent with this pattern.

The results for the Coastal Plains region are very similar to those for the Great Lakes region. The change in non-primary, non-military employment for RA counties contiguous to Type II growth centers was larger than the corresponding change for Type I centers. But again, this larger increase was only able to absorb a small portion of the decline in the primary sector. Thus, there was a larger decrease in total employment for RA counties contiguous to Type II centers than for counties contiguous to Type I centers. In addition, employment in counties contiguous to Type III centers declined to a great extent.

For the Northwest region, contiguous RA counties show no deviations from the desired pattern. But, all counties contiguous to Type II growth centers had larger increases in total and non-primary, non-military employment than did counties contiguous to Type I centers. However, both Type I and Type II centers show larger employment increases than the Type III centers. This switch can be explained. The two Type II centers both had a medium-sized city, but lacked the employment base. These cities could still have had some impact on their surrounding area, but neither had the desired impact on their neighboring RA counties.

The remaining region and only exception is the Far West, but it is easily explained. Three of the four Type II growth centers had much larger employment changes than the Type I center. This is so because all three are contiguous to the Sacramento SMSA and thus are under its influence. Any positive changes in employment can be attributed to the fact that the counties contiguous to the three Type II centers (RC's) are bedroom communities from which people commute to Sacramento. The dominating influence is Sacramento and not the RC's.

In conclusion, the results show that counties contiguous to Type I growth center counties are better able to absorb the decline in the primary sector than are counties contiguous to those EDC's and RC's classified as Type II or Type III. This is true even if only RA counties are included in the computations.

Y. OVERALL FINDINGS

A. SUMMARY

On the basis of the 12 in-depth case studies conducted during this evaluation, it is not clear that projects funded in accordance with the growth center strategy outlined in the Agency's policy statements are accomplishing the expected results. For example, residents of depressed counties designated as redevelopment areas have received little direct employment or public service benefit from the EDA growth center projects surveyed by the evaluation team. Moreover, these projects have not yet resulted in more total job impact than similar projects placed in distressed areas.

The results derived from the analytical techniques comprising the National Assessment indicate that with only one exception, the Agency's designation procedures have selected the best growth centers within districts designated as of December 31, 1970. However, the findings also indicate that the majority of the places designated as EDA growth centers are unlikely to serve surrounding areas as primary employment or migration centers. Approximately 60 percent of these designated growth centers seem to exhibit only limited potential for future population or employment growth.

The reason for EDA's apparent failure to designate places with significant potential for future growth stems from the generally depressed nature of the districts in which it is legislatively required to work. When viewed against this background, actual growth center designations appear reasonable. Given present (and expected) levels of funding for growth center projects, and these findings about EDA's existing growth centers, three questions arise.

- (1) Can such places really be expected to play a major role in stemming out-migration from districts, either by: allowing RA residents to remain in their home counties and commute to the center for work; or providing such persons with an alternative to migration from the district?
- (2) What other roles might be appropriate for such designated growth centers in the context of EDA's overall district program?
- (3) Since EDA "employment type" project investments in the 12 evaluated centers displayed few spillover benefits (e.g., jobs and services) to residents of nearby distressed areas, should the strategy for centers focus more on "environmental type" projects?

Further study of these questions and an exploration of their impact on implementation of the growth center strategy need to be done.

B. IN-DEPTH ANALYSIS OF SELECTED ECONOMIC DEVELOPMENT CENTERS

1. Impact of EDA Projects in Growth Centers

The completed EDA projects in the growth centers analyzed in this study have to date resulted in no more job impact than projects located in redevelopment areas. Redevelopment area projects of the same general type, age at time of analysis, and from the same states were compared with the growth center projects analyzed through the evaluation. A breakdown of the RA projects is presented in Table 33. The results of this comparison, which are presented in Table 34, suggest that RA projects are not obviously inferior to growth center projects by any of the selected measures.^{1/}

These EDA growth center projects are similar to RA projects in that they have created jobs in stable firms with year-round operations. The 26 completed growth center projects designed primarily to generate jobs have raised 674 households above poverty level, resulted in wage increases for most workers, and led to training for more than 65 percent of the employees at EDA-associated firms. Similar data are not available for RA projects.

With respect to job impact on present and former residents of redevelopment areas, the previously evaluated RA projects have been considerably more effective than projects in the growth centers evaluated. The percentage of jobs taken by present and former RA residents in connection with the group of RA projects is more than five times that for the growth center projects. Since these RA projects also have as much total job impact as growth center projects, the rationale for placing similar job projects in growth centers as opposed to redevelopment areas should be re-examined. It may be that Agency investment in RA's is the way to maximize the immediate job benefits to EDA's target population - the unemployed and underemployed residents of economically distressed areas.

The evaluation team was unable to identify any secondary job impact in RA's from the EDA growth center projects examined. No suppliers or distributors were found that located in or near growth centers as a result of such projects, and no firms contacted indicated increased employment as a result of improved business associated with the location or expansion of a firm benefiting from an EDA growth center project. Of course, these projects are relatively new, and in some cases there may be impact of this nature in the future.

^{1/} It should be noted that the analysis period for the RA projects was six months or so earlier than that for the growth center projects. This time difference, during a period of national economic readjustment, raises the possibility that macro-conditions might have affected the outcomes adversely for center projects.

TABLE 33

DISTRIBUTION OF SAMPLE PROJECTS BY STATE, GEOGRAPHIC SUBDIVISION, AND PROGRAM TOOL

STATE	NO. OF GROWTH CENTER PROJECTS		NO. OF REDEVELOPMENT AREA PROJECTS		TOTAL NUMBER OF PROJECTS	
	Public Works	Business Loan	Public Works	Business Loan	Public Works	Business Loan
Arkansas	5	0	2	1	7	1
Florida	1	0	0	0	1	0
Georgia	2	1	2	0	4	1
Kentucky	3	0	3	2	6	2
Maine	0	2	0	2	0	4
Mississippi	0	1	0	1	0	2
Oklahoma	3	1	2	0	5	1
Tennessee	3	2	4	4	7	6
Texas	2	2	7	0	9	2
TOTALS	19	9	20	10	39	19
	28*		30		58	

* Includes two environmental projects

TABLE 34
COMPARISON OF PUBLIC WORKS AND
BUSINESS LOAN PROJECTS IN RA'S AND GROWTH CENTERS

CATEGORIES OF ANALYSIS	GROWTH CENTER PROJECTS (26 PROJECTS) *	RA PROJECTS (30 PROJECTS)
Average Project Cost	\$1,360,000	\$768,000
Average EDA Participation	\$722,000	\$495,000
Average EDA-Attributed Jobs Per Project	109	79
Average EDA Investment Per Job	\$ 6,908	\$ 6,275
Percent EDA-Attributed Jobs to RA Residents	14% (6%)**	87%
Average EDA Investment Per RA Job	\$ 50,000 (\$116,000)**	\$ 8,164
Percent EDA-Attributed Jobs to Unemployed and Underemployed	31%	28%
Average Annual Salary Generated	\$ 5,900	\$ 5,300

* Does not include two "environmental" projects

** Excluding Bowling Green projects from the sample

Approximately \$22 million of EDA investment in growth centers has resulted in jobs with over \$16 million in annual wages; 10 percent of these wages is spent in redevelopment areas. New purchases in RA's by firms benefiting from the same growth center projects add about \$1 million per year to this personal consumption figure.

The public facilities EDA has funded in the 12 growth centers evaluated provide few services to residents of redevelopment areas. Moreover, there is little evidence yet that they are stimulating or accelerating economic growth in these centers. The water system projects located in growth centers have improved public services to residents of the centers, but the other two public facility projects - a scientific library and a marine-oriented research laboratory - have had negligible impact on local citizens. Nevertheless, such "environmental" projects may play a critical role in the viability of a center. The experience is too limited at this point to make any final judgment.

2. Effectiveness of the Positive Action Program

On the basis of 12 case studies of EDA growth centers, the evaluation team has concluded that Positive Action Programs by themselves are not an effective means of insuring that residents of nearby redevelopment areas benefit from the employment opportunities and public services in growth centers. No benefits have accrued to residents of such areas that can be attributed to EDA's requirement that economic development centers prepare these documents. Moreover, few new programs have been initiated to benefit residents of growth centers as a result of PAP's.

Discussions with community leaders, district staff members, and EDA Washington office personnel, as well as analysis of PAP impact led to the conclusion that the concept underlying the PAP is too broad, given EDA's limited resources to monitor implementation. It seems rather unrealistic to expect that a community will address not only its own problems but also those of other counties and communities in the hope of obtaining EDA funds for one, two, or even three projects.

3. Effectiveness of District Organization in Implementing the Growth Center Strategy

District organizations analyzed through this study have not effectively implemented EDA's growth center strategy. This is due primarily to a lack of understanding on the part of district staff and board members of that strategy. Neither the strategy itself nor the purposes of the PAP requirement have been adequately explained to these individuals by the Agency.

Moreover, the treatment given to PAP's by EDA Washington has led most district staff and board members to the conclusion that the Agency is not serious about the PAP requirement. As a result, they do not recognize the importance of channeling benefits from EDC projects to unemployed and underemployed residents of redevelopment areas. Instead, Agency growth center projects have been a means for enabling the district organization and staff to establish local credibility. In this role they have been of value.

For the most part, district staffs are serving effectively as grantsmen, planners, and agents of change. It is primarily through these individuals that EDA stimulates the economic development process in redevelopment area communities, growth centers, and towns in non-designated district counties. The real strength of the district mechanism at this point is the role of the district staff.

4. Status of the Economic Development Process

As indicated above, it is primarily through the activities of district organizations that EDA stimulates the economic development process in growth centers. In a few of the centers evaluated, Agency projects have resulted in more positive attitudes toward development activities. However, such projects appeared to have had limited impact on the lending policies of local banks, the cooperation of community organizations, and the willingness of center residents to finance local improvements. Moreover, the projects have resulted in little change in attitudes toward helping unemployed and underemployed residents of redevelopment areas, or even of the centers themselves.

C. NATIONAL ASSESSMENT

Two major conclusions were reached as a result of the National Assessment.

- . Economic and demographic indicators suggest that the majority of places designated as EDA growth centers offer little potential for future population or employment growth.
- . A significant number of economic development districts do not contain cities with such potential to serve district redevelopment areas as growth centers.

These facts are not surprising in view of the generally depressed conditions of all counties in most economic development districts, and in areas of the country where EDA's legislative mandate directs it to work.

1. Assessment of Presently Designated Growth Centers

Approximately 60 percent of EDA's growth centers did not meet the National Assessment's criteria for "Type I" or "Type II" centers, and thus were judged to have little or no potential for future population or employment growth. The 65 centers that fall into this category are not likely to have an impact on redevelopment areas; in fact, most are experiencing out-migration themselves.

Centers ranked as Type I have a high growth potential and their growth is expected to improve conditions in nearby redevelopment areas. Those places classified as Type III centers either offer little or no growth potential or are not located within commuting distance of redevelopment areas. Places identified as Type II centers are less likely to grow and affect surrounding distressed areas than are Type I centers, but could not be classified as Type III centers on the basis of the data examined through the National Assessment. Table 35 on the following page summarizes the assessment of presently designated centers.

TABLE 35
CATEGORIZATION OF DESIGNATED CENTERS

GCIS RANKING	ECONOMIC DEVELOPMENT CENTERS		REDEVELOPMENT CENTERS		TOTAL	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
TYPE I	30	22%	- -	- -	30	15%
TYPE II	40	30%	13	19%	52	26%
TYPE III	65	48%	54	81%	119	59%
TOTAL	135	100%	67	100%	201	100%

2. Distribution of Centers Within Districts

Of the 103 designated economic development districts, 43 (42 per-cent) do not contain a place identified as a Type I growth center on the basis of the National Assessment. Thus, none of these districts appears to contain a city with the potential to serve district redevelopment areas as a growth center. Table 36 summarizes the National Assessment's classifications of centers in presently designated districts.

TABLE 36
NATIONAL ASSESSMENT CLASSIFICATIONS OF
CENTERS IN DESIGNATED DISTRICTS

DISTRICT CATEGORY	NUMBER OF DISTRICTS
At least one Type I center	27
No Type I center, but at least one Type II center	33
No Type I or Type II center	43
TOTAL	103

Two of the 33 districts which contain only Type II centers could be modified to include a county with a Type I center. Six of the districts with no Type I or Type II center could be modified to include at least one such place. Four of the six would contain a Type I center, while the other two would have only a Type II center.

APPENDIX A

EVALUATION APPROACH: IN-DEPTH ASSESSMENT OF SELECTED GROWTH CENTERS

I. INTRODUCTION

In December 1970, an in-house task force was formed to evaluate EDA's growth center strategy. Although this strategy is linked to the Development District Program, the evaluation effort deliberately focused upon Agency policy dealing specifically with growth centers. It did not attempt to treat the whole Economic Development District Program. One of the major goals of the evaluation effort was to assess the impact of the Agency's expenditures in growth centers. This was accomplished through a series of in-depth case studies of EDA-designated growth centers. The following discussion describes the approach used in conducting these studies.

II. CENTER SELECTION

In developing the structure for the growth center evaluation, a decision was made to conduct in-depth analyses of 10 centers. This was considered consistent with the time and manpower to be devoted to the effort. Because of the small sample size, it was recognized that conclusions based on the 10 centers would not necessarily apply to all EDA-designated centers.

The first step in selecting the 10 growth centers to be analyzed as part of the evaluation entailed excluding from consideration all redevelopment centers, i.e., centers located in redevelopment areas. Such communities were eliminated because EDA has never applied a growth center strategy in dealing with them. For example, redevelopment centers are not required to prepare Positive Action Programs, nor does their eligibility for projects rest upon recognition as centers.

Two major criteria were then applied to select the economic development centers to be evaluated. First, each

center was required to have a completed (90 percent disbursed) EDA public works or business loan project that had been approved subsequent to the town's designation as an economic development center. One of the limitations inherent in this evaluation was the lack of maturity of the growth center strategy itself. The 90 percent disbursed criterion was applied to insure maximum maturity in the projects analyzed.

Moreover, only those projects approved subsequent to a town's designation as an economic development center were considered valid subjects for the evaluation. Earlier projects were not approved in conjunction with the growth center strategy and could not in fairness be used to measure the strategy's effectiveness or success. In conducting the case studies, however, earlier projects were observed as elements of a center's overall economic development process. This criterion narrowed the list of potential evaluation subjects from 135 centers to 14.

Secondly, within the limits of the project completion criterion, the centers were chosen to represent a wide geographic distribution and a variety of population levels. The dollar amount of EDA expenditures and the length of time elapsed since project completion were also considered in selecting the 10 centers. After 10 EDC's were selected, 2 more centers were added to the sample. These centers were included because, together with 1 of the original 10 EDC's, they are located in a district involved in a unique effort to obtain government assistance in undertaking a comprehensive district-wide development program.

For comparison purposes, the sample was also structured to include:

- . an economic development center with a completed public works or business loan project approved before preparation of a Positive Action Program (PAP); and
- . an economic development center that had submitted a PAP but had received no EDA funds.

Since a number of the 12 centers already selected met the first criterion, the original list of evaluation subjects was only expanded to include a center with a PAP but no EDA funds.

The following table compares all 135 EDC's to the 13 centers analyzed with respect to population, growth potential, distance from nearest redevelopment area, and geographic location.

TABLE A.1
COMPARISON OF SAMPLE AND UNIVERSE

COMPARISON CATEGORY	ALL EDC's (135)	SAMPLE ¹ (13)
Average Population	38,611	46,846
National Assessment Ranking		
Type I	30 (22%)	3 (23%)
Type II	40 (30%)	3 (23%)
Type III	65 (48%)	7 (54%)
Average Distance to Nearest RA	14.57 miles	21.69 miles (15.63 miles) ²
Geographic Location		
Atlantic Region	11 (8%)	1 (7%)
Mideastern Region	22 (16%)	3 (23%)
Southeastern Region	43 (31%)	3 (23%)
Midwestern Region	11 (8%)	0 (0%)
Southwestern Region	45 (33%)	6 (46%)
Western Region	3 (2%)	0 (0%)

¹ These breakdowns contain 13 centers because the Tri-Cities growth center was analyzed as two separate centers: Bristol-Kingsport; and Johnson City.

² This figure is obtained by dropping Corpus Christi and Panama City from the sample.

III. EVALUATION CRITERIA

In developing the methodology for analyzing selected growth centers, the evaluation team reviewed the legislative provisions for growth centers, Agency policy statements relating to the growth center strategy, and techniques employed in past evaluation studies. In an attempt to keep the evaluation focused on one specific Agency policy, the team sought to analyze those areas which that policy had clearly been intended to influence. On the basis of the information gained through the review, a decision was made to examine three major areas in evaluating each growth center. Centers were analyzed in terms of EDA project impact, effectiveness of the Positive Action Program, and the role played by the district staff and board in implementing the growth center strategy. In addition, the evaluators measured the status of the local development process in each center, placing particular emphasis on the center's efforts to assist neighboring redevelopment areas. EDA's impact on changes in process status was determined.

A. EDA Project Impact

One premise of EDA's growth center strategy is that funding projects in growth centers will benefit residents of nearby redevelopment areas. To determine the validity of this assumption, the methodology called for an evaluation of completed projects in each growth center. Emphasis was placed on identifying benefits to redevelopment areas and to unemployed and underemployed residents of the center. However, overall project benefits were also noted in order to evaluate the project's impact on the growth center and to permit comparison of growth center projects with similar projects analyzed in previous evaluation efforts.

1. Overall Job and Economic Structure Impact

For each completed EDA growth center project, data was collected on the total number of jobs which could be attributed to the project, as well as on the amount of income generated. As in previous evaluation efforts, attributable jobs were defined as those which would not have existed in the absence of the EDA project, i.e., those jobs created or saved as a direct result of the project. The data was obtained directly from employers and employees in firms benefitting from EDA projects. This allowed job information to be crosschecked from

true sources. Appendix F contains the questionnaires used in collecting the data.

Future employment impact of EDA's investments was estimated on the basis of expansion plans of existing firms and construction plans of new firms. Because future jobs are only "expected," their impact is discounted by an appropriate risk factor, varying from 0 to 100 percent. The following guidelines, used in previous evaluations, were applied to hiring plans.

- . 100 percent of specified impact is credited if plant or expansion is completed and hiring has begun.
- . 75 percent of specified impact is credited if plant or expansion is completed but hiring has not begun.
- . 50 percent of specified impact is credited if plant or expansion is under construction and completion expected within one year.
- . 25 percent of specified impact is credited if plant or expansion is not under construction but completion is expected within a year.
- . No impact is credited if none of the above apply.

The evaluators also analyzed the quality of the jobs created by the EDA project in terms of their contribution to the local economy's growth and stability. The factors examined in this analysis included stability of the new employment, and the degree of diversification it represented in terms of the local community.

To evaluate the stability of the firms that located as a result of EDA projects, three levels of stability were established. Those enterprises that were new companies, not affiliated with larger parent corporations, were judged least stable. Government agencies, quasi-public agencies (such as hospitals or educational institutions), and top-rated companies with stable or growth histories and superior credit ratings were rated as the most stable types of employers. An intermediate level of stability was reserved for es-

tablished firms that failed to meet the criteria for the highest level. Projects were rated according to the stability of the associated jobs.

EDA-generated jobs were also evaluated to determine the extent to which they diversified the employment opportunities in the area and made the area less vulnerable to severe employment loss because of cyclical changes in one industry. In this case, the most effective projects were those where at least 50 jobs were created in industries not previously represented in the area.

2. Job Impact on Present and Former Redevelopment Area Residents

For the purposes of this study, it was considered necessary to emphasize the benefits accruing to present and former residents of redevelopment areas. For this reason, job location impact was broken down to identify the effects on these individuals. In determining the effectiveness of each project, the number and type of jobs taken by present and former redevelopment area residents were examined, as well as the income generated by these jobs. Present and former RA residents were identified through the employee questionnaires which requested information on current and past place of residence. Another approach used to measure project effectiveness involved calculating the investment per direct job created for present and former redevelopment area residents.

Because EDA is committed to assisting the unemployed and underemployed residents of redevelopment areas, the methodology was structured to identify which present and former redevelopment area residents were unemployed or underemployed prior to taking their current jobs. (Underemployed workers are persons who were previously part-time employees seeking full-time jobs and workers who were members of poor households. Former housewives working to supplement family incomes previously more than \$1,000 above the poverty level are not counted as previously unemployed or underemployed persons.) Table A.2 identifies the standard used to determine whether households were "poor."

TABLE A.2
SCALE FOR IDENTIFYING POOR HOUSEHOLDS ^{1/}

NUMBER IN HOUSEHOLD	NON-FARM INCOME UNDER	FARM INCOME UNDER
1	\$1,900	\$1,600
2	\$2,500	\$2,000
3	\$3,100	\$2,500
4	\$3,800	\$3,200
5	\$4,400	\$3,700
6	\$5,000	\$4,200
7	\$5,600	\$4,700
more	add \$600 per person	add \$500 for each additional person

Other information acquired for present and former RA residents included average income change as a result of EDA-associated jobs, number of families raised above the poverty level, and amount, type, and effect of training received. The methodology employed also allowed evaluators to estimate the number of jobs that would go to these individuals upon realization of employers' present expansion plans. Such estimates were based on information provided by each employer.

3. Job Impact on Growth Center Unemployed and Under-employed

Administrators of EDA's Development District Program emphasize a growth center's responsibility to provide assistance to unemployed and underemployed residents of the community. To measure centers' effectiveness in meeting this responsibility, the evaluation methodology called for analysis of jobs to such individuals. Employees of EDA-associated firms who

^{1/} Office of Economic Opportunity Income Poverty Guidelines, December 1, 1970.

were previously unemployed, involuntary part-time workers, or members of poor households looking for work were identified according to race and status in family. The total number of jobs to such individuals was also reported, as well as total income generated. Another figure included in this portion of the analysis was EDA's investment per job created for these individuals and present and former redevelopment area residents.

As with jobs to present and former redevelopment area residents, the methodology called for computing the average income change and the number of families raised above the poverty level as a result of jobs taken by unemployed and underemployed residents of the growth center. The amount, type, and effect of training received by these individuals in connection with their EDA-associated jobs were also determined. In addition, future jobs for unemployed and underemployed center residents were projected on the basis of employers' plans for expansion.

4. Secondary Job Impact in Redevelopment Areas

One of the premises of the growth center strategy is that the creation of jobs in centers will lead directly to the location of other employment opportunities. The theory is that employers who locate in growth centers often attract suppliers and distributors to the area and that these concerns furnish additional employment to local residents. According to EDA's MEDO, "The spillover effect of the Center growth can produce new jobs within nearby Redevelopment Areas. This might include such activities as subassembly plants serving major producers located in the Center." To test this theory, the evaluation methodology included provisions for identifying such employers and determining the number of new jobs they located in the area.

EDA-assisted employers were asked to identify suppliers, distributors, and personal contact was made with these firms. Any employment or income generated by new firms as a result of the EDA beneficiary firm was noted as a secondary impact of the project. The methodology also allowed the identification of new

jobs created by the EDA-attributable expansion of suppliers and distributors already located in the area. These jobs were included in the job count for each center.

5. Indirect Economic Spillover

Another major premise of the growth center strategy is that indirect benefits from projects in growth centers will spill over into the district's redevelopment areas. The evaluation methodology called for testing this theory through two measures. First, data was collected on the expenditures of redevelopment area residents employed by EDA-assisted firms and local suppliers and distributors who established or expanded operations as a result of EDA project impact. This information allowed the evaluators to determine how much money these individuals were spending in their home counties.

The second measure used to test the indirect economic spillover theory involved the dollar value of purchases made in redevelopment areas by EDA-assisted firms and their local suppliers and distributors. Through personal interviews with management personnel, evaluators determined the amount of money spent by these firms in redevelopment areas.

6. Effect on Out-Migration

The growth center strategy implemented by EDA assumes that accelerating and increasing the growth and prosperity of economic development centers will encourage residents of nearby depressed areas to commute or migrate to the center for work instead of remaining unemployed or migrating to more distant urban centers. To test the validity of this assumption, the evaluation methodology - through data collected on the employee questionnaires (Appendix G) - provided for determining:

- . the percent of employees in EDA-assisted and associated firms who migrated to the growth center from a redevelopment area;
- . the percent of employees who would have migrated from a redevelopment area to an urban

center of over 500,000 if their present jobs had not been available; and

- . the percent of employees who would have migrated from the economic development district if their present jobs had not been available.

In addition, a random survey was made of former residents of the redevelopment areas associated with the various growth centers. Individuals who had migrated from such areas during the past two years were queried as to their reasons for moving. This survey provided another basis for evaluating the theory that providing jobs in a growth center will help to stem out-migration from the redevelopment areas and/or the district. For each center, if a statistically significant number of the participants indicated that they would have remained in the district had employment opportunities been available in the center, it was concluded that the theory was valid for that particular center.

7. Improved Public Services

The growth center strategy defined by EDA policy makers includes a provision for funding projects that materially improve the environmental facilities of a center if those facilities are essential to accelerating the center's growth. Among the items considered by EDA before approving such projects is the ability of the district organization and the center leadership to assure that the facilities will be available to low-income or unemployed residents in surrounding redevelopment areas.

To evaluate public facility projects in growth centers, the investigators first considered the overall benefits provided by the project. This portion of the evaluation included a judgment as to whether the facilities were essential to the center's growth. In each case, this judgment was based upon information gathered from public agencies, elected officials, and community leaders concerning the type of service provided and the neighborhoods and establishments served by each EDA project. Emphasis was then placed on determining the types of individuals benefitting from the project. Three categories of beneficiaries

were analyzed: redevelopment area residents, low-income growth center residents, and minority group members.

In evaluating benefits to redevelopment area residents, factors considered were the number of households being served, the percent of service to minority households, the percent of the project's benefits going to low-income households, the percent and number of low-income households being served, the change in service resulting from the project, and the change in service to low-income residents. Similar factors were considered in analyzing benefits to low-income growth center residents and minority group members. These data were provided by the agency responsible for managing each public facility project, and were verified whenever possible through other public and private sources.

8. Other Funding Sources

Data was collected on other funding stimulated by the EDA investment including federal, state, and local monies. Private investment directly associated with or stimulated by the EDA project was also measured as an element of project impact.

B. Effectiveness of the Positive Action Program (PAP)

The second major area examined in connection with the in-depth evaluation of selected centers involved determining the effectiveness of Positive Action Programs. An EDA policy statement issued in March 1968 states that no growth center will receive project funding until it has outlined the steps it is willing to take to insure that the unemployed and underemployed from redevelopment areas benefit from the center's growth. This outline is referred to as a Positive Action Program (PAP), and is to be prepared in cooperation with the district organization.

1. PAP Status

The first step taken in evaluating Positive Action Programs entailed determining the PAP's status. Sources for this information were EDA's Office of Development Organizations and the district organization

associated with each center. Date of preparation and number of updates were considered in judging the present relevance of the document. In addition, emphasis was placed on analyzing the actual preparation of the PAP. Authorship was determined, and factors involved in author selection were identified. Problems encountered in preparing the document were also examined.

2. Identification of PAP Goals

The methodology used to evaluate Positive Action Programs required an initial review of such documents. This review focused on the identification of specific programs the town promised to undertake in connection with its responsibility to serve the surrounding area as a growth center.

3. Local Commitment to PAP Goals

The evaluation team queried elected officials as well as individuals responsible for PAP programs in each center. The objective was to determine these individuals' understanding of the PAP and growth center concept, and to identify tangible commitments toward accomplishing goals set forth in the document. These sources were used to measure the degree to which each center recognized its responsibilities to nearby re-development areas.

4. Progress Toward Achieving PAP Goals

The next step in the PAP evaluation methodology consisted of determining the center's progress in implementing the programs described in the Positive Action Program. Evaluators scrutinized each program through interviews with program administrators and their peers in other community groups to determine accomplishments, beneficiaries, and future plans. Emphasis was placed on identifying benefits to re-development area residents and the growth center's unemployed and underemployed population.

5. Accomplishments Directly Attributable to the PAP

Another aspect of the PAP evaluation concerned the new effort exerted by the growth center as a result of its Positive Action Program. The evaluators

identified those activities directly attributable to the PAP. These were those programs that would not have been undertaken in the absence of the Positive Action Program.

This portion of the analysis included a categorization of such programs. Of greatest importance in terms of the growth center strategy were those programs that provided the most benefits to redevelopment area residents, particularly the unemployed and underemployed. Programs that assisted unemployed and underemployed growth center residents were ranked next in value. Third, and least important from the standpoint of the growth center strategy, were those programs that primarily benefitted middle- and high-income growth center residents.

6. Influence of PAP

To obtain a more accurate picture of the value of the PAP, evaluators compared projects funded before the PAP requirement existed with projects funded after centers had prepared such documents. Emphasis was placed on determining what differences, if any, existed with relation to project impact on present and former redevelopment area residents. As another means of determining the PAP's value, the evaluators spent two man-days analyzing the impact of a PAP in a center that had not received EDA funding.

Interviews with a wide range of community leaders also provided insights on how the PAP, its preparation, and execution had influenced attitudes, cooperation, and awareness in the community. The evaluation, in effect, attempted to grasp the human and intangible results associated with this requirement.

C. Role of District Staff and Board

An analysis of the role played by district staff and board members was the third major portion of the in-depth evaluations of selected centers. This effort did not involve an evaluation of the entire range of services provided by these groups. Rather, it focused on those activities directly related to implementation of the growth center strategy for the particular center under consideration.

1. Capacity to Promote Growth Center Strategy

The methodology developed for evaluating the district organization's role in implementing the growth center strategy called for analyzing the attitudes of the district staff members and board of directors. District staff and board members were evaluated in terms of their concepts of and attitudes toward the strategy. Particular attention was given to the views held by board members from redevelopment areas. The touchstone for this segment of the evaluation was official Agency policy as stated in the growth center MEDO and PAP guidelines.

Other criteria used for evaluating the district organization's role in implementing the growth center strategy included the location of the district office and its effect on the strategy. The composition of the board and the relative influence of each of its members were also considered. In addition, the evaluation methodology provided for an analysis of the financial support of the district's member counties and the effect of this support on the growth center strategy.

2. Services of the District Staff and Board

A number of criteria were applied in evaluating the services of the district staff and board with relation to the growth center strategy. These included the amount and quality of technical assistance provided by the district staff in promoting the growth center strategy. Examples of such assistance are help in preparing Positive Action Programs, and aid to growth center leaders in setting priorities for proposed projects. Other criteria were the amount and quality of assistance provided to board members from non-designated counties. The degree to which information flowed between board members from the two types of counties also served as a criterion for evaluation.

In cases where the district staff served more than one board, the evaluators judged the staff's performance as an agent for exchanging information. Additionally, and perhaps most importantly, the staff and board were evaluated on their role in developing and implementing projects designed to carry out the growth center strategy.

D. Status of Center's Economic Development Process

Certain human attitudes and activities at work in a community have an influence on the ability of that community to realize its full economic potential. This human force, which can mobilize available resources in order to develop the local economy, can be thought of as constituting an economic development process. For the purpose of the evaluation, the development process was described by 11 factors, and an attempt was made to measure changes in these factors as a result of the Positive Action Program, district staff and board activities, and EDA projects. In this way, the evaluation team tried to account for those factors which the growth center policy could and did affect beyond the strict confines of project impact.

A wide range of individuals - elected officials, district staff and board members, EDA field personnel, minority groups leaders, labor leaders, representatives of the news media, bankers, administrators of other federal programs in the center, business leaders, and others - were interviewed and asked to describe the economic development center in terms of each of the 11 factors. They were also asked to rate the influence of EDA activities on any changes in the factors that had occurred since the center's designation. By collecting personal evaluations on the same factors from such a broad range of individuals, the evaluators were able to draw a reliable consensus on each point.

In evaluating the development process in the various growth centers, each factor was analyzed in several different ways. The level of these factors was measured at two points in time: before growth center designation; and at the time of the evaluation. This allowed for determining changes in the economic development process. Attributing changes in the process to the growth center strategy was then accomplished by asking community representatives about the relationship between those changes and the PAP, district staff activities, EDA field staff activities, and EDA projects.

The 11 factors used for the analysis of the development process in growth centers are described below. It is important to note that each factor was

examined specifically for its relationship to economic development and to EDA activity in the center in order to determine what kinds of changes had been effected by the growth center strategy. It should also be noted that the rating for each factor was a description of the level of activity or sophistication in that area rather than a value judgment. Process elements were not weighted in relation to one another because they were meant to describe rather than to rate the development process as a whole.

1. Local Government's Attitude

This factor describes the role the EDC government played in helping to make development efforts more effective. Estimates were made of the role which the local government had played both prior to designation and at the time of the evaluation. A low rating was given to the center if the local government actually opposed development projects. A high rating was given if the local government assumed leadership in this area. Intermediate levels of sophistication included situations where the EDC government participated but did not take leadership in development efforts, or where it took leadership only on those projects directly related to government services.

2. Lending Institutions' Attitude

Community leaders, district staff members, and representatives of financial institutions were queried on the lending policies of these institutions with respect to development-oriented projects. To substantiate the opinions gathered from these sources, information on loan-to-deposit ratios was collected from annual statements of the institutions.

EDA-funded and other research (see R.J. Hooker, Jr., "Summary: The Commercial Bank's Role as a Financier of Regional Growth," The Research Review, July 1970) indicates that a loan-to-deposit ratio below 63.5 percent means that it is difficult for local businessmen to obtain venture capital. Thus, loan-to-deposit ratios of 60 percent or lower were characterized as conservative. As a result, unless those interviewed provided substantial evidence to the contrary, the evaluators determined that institutions with such

ratios were not assuming leadership in promoting or financing development projects.

3. Dominant Economic Group's Attitude

This item refers to the attitude which the center's dominant economic group (whether it be agricultural, commercial, industrial, financial, etc., in nature) displayed toward community development. In cases where this group viewed economic development as a threat to its interests and opposed development projects, a low rating was given for this factor. The rating scale ranged from a situation where, while not actually opposed to development efforts, the dominant economic group was indifferent or contemptuous toward development, to an optimum level where key members of this group were taking leadership in helping to plan and to carry out a broad development program.

4. Cooperation of Community Organizations

This subject refers to the support and cooperation given EDC development efforts by community groups such as organized labor, church groups, business organizations, fraternal organizations, and service clubs. Through interviews in the center, evaluators determined how involved such organizations were in development activities. If community institutions were participating in sponsoring projects and took the leadership on occasion, a high score was given for this factor.

5. Effectiveness of Community Planning Efforts

This factor describes the sophistication of planning efforts being made in the center by city planning agencies and regional development groups, as well as the use to which these planning efforts were put. The scale for this factor ranged from a level where simple zoning regulations were lacking, to a high level where planning activities were well-supported, covered a wide range of subjects, and were influential in guiding local development.

6. Effectiveness of Local Development Organizations

This subject refers to the effectiveness of the EDC community organization for economic/industrial

development, including the PAP committee. A center received the highest score for this factor when a local development corporation or a PAP committee was functioning effectively, and had considerable community support for its projects. A center without any such organization received the lowest ranking on this scale. Other elements considered were the existence and effectiveness of professional staff for these organizations.

7. Borrowing and Financing Capacity

This subject involves the willingness of EDC citizens to finance development projects. A low rating was given for this factor when the EDC's tax rates did not require residents to make an equitable contribution to local development; when the revenues collected by the center government were inadequate to finance a reasonable level of public services; and when center citizens had shown a consistent unwillingness to support bond issues for community development. The center ranked high in terms of this factor if the community was above average in its willingness to finance local improvements through tax levies, revenues, and bond issues.

8. Cooperation with Neighboring Redevelopment Areas

This element describes the level of cooperation between the EDC and neighboring redevelopment areas. The background against which this element was rated was the district organization and how the EDC functioned within it. If the center was a member of the organization in name only, and uninvolved with its activities, a low rating was given for this factor. If the EDC took effective leadership in the organization, particularly with respect to programs for the redevelopment areas, then a high rating was assigned for this factor.

9. Effectiveness in Using State and Federal Development Programs

This factor involves the center's use of state and other federal development programs such as community action, manpower training, housing, and the like. Where virtually no state or other federal development programs were operating locally, a low rating was assigned

for this factor. Where such federal and state program activity existed, it was analyzed to determine how aggressive local leaders were in using available assistance and to what extent EDA had served as a catalyst in this process. Evaluators also pursued these questions with the administrators of state and federal programs in the center to determine what kinds of program decisions had been made by their agencies as a result of EDA growth center designation and investment.

10. Concern for Poor and Minority Groups

This subject deals with the way those who controlled development programs in the growth center made the programs work for the benefit of poor and minority group members, as opposed to more established groups within the community. Where the EDC's leadership was actually opposed to such programs for the poor and minority groups, a low rating was assigned. Where most of the development programs were planned for the benefit of the poor and minority groups, the highest ranking was given.

11. Concern for Redevelopment Area Residents

This factor was designed to describe the kinds of programs and services made available to redevelopment area residents in the economic development center. Where most of the development programs and services in the center were clearly made available to such persons, the center received a high rating for this factor.

IV. DATA COLLECTION

The evaluation team collected data through field interviews, telephone conversations, and questionnaires. From three to eight man-weeks were spent in each center evaluated, where team members interviewed at least 40 and, in some cases, as many as 70 individuals. The large number of interviews held in connection with each center provided reasonable assurance of obtaining an accurate picture of each center and its effect on the district's redevelopment areas.

Typical data sources included district staff and board members, elected officials of the growth center,

and elected officials of district redevelopment areas. These individuals provided insights into the relationships between the growth center and nearby redevelopment areas. Other data sources were the initial project applicants, and employers and employees in firms that located as a result of EDA projects. The project applicants, who were often community leaders and in some cases elected officials, provided detailed descriptions of projects and their impact on the growth center and district redevelopment areas.

Questionnaires were used to obtain information from the employers and employees. These questionnaires elicited data on the job impact of the EDA project, its contribution to the local economy, and the characteristics of employees. Community leaders in the growth center and in nearby district counties were interviewed to determine the local development process in each of the growth centers. In some cases, EDA Economic Development Representatives and Regional Office personnel were interviewed to obtain insights into the commitment of the growth center to assisting the target population, and the effects of the EDA projects.

In addition, the evaluators conducted telephone interviews with individuals who had migrated from centers and nearby district redevelopment areas during the past two years. The recent migrants provided insights into the factors causing out-migration, and the effect creating additional jobs in centers might have on the exodus.

APPENDIX B

EVALUATION APPROACH: NATIONAL ASSESSMENT OF GROWTH CENTERS

This appendix presents a detailed description of the methodology used to analyze presently designated economic development centers and redevelopment centers, and to identify potential growth centers for economic development districts. The methodology, which is summarized on page 11 of this document, is divided into two parts:

- . Part One - Description of Data and Geographical Areas; and
- . Part Two - Determination of Potential Growth Centers.

PART ONE - DESCRIPTION OF DATA AND GEOGRAPHICAL AREAS

I. INTRODUCTION

Part One of this appendix describes the basis of the evaluation approach. It contains:

- . the rationale for using county data in the analysis; and
- . descriptions of the geographic areas studied.

The development of modified economic development districts is also discussed.

II. USE OF COUNTY DATA

A. RELATIONSHIP BETWEEN GROWTH CENTER AND COUNTY

Growth centers are designated and funded by EDA under the assumption that government investment in these centers will stimulate their economic growth and thus have a positive impact on neighboring redevelopment areas. The "best" centers are those urban areas that have a strong natural potential for growth. It is assumed that by funding projects in these places, EDA achieves greater returns for its investments.

Growing urban centers draw from and contribute to the surrounding area. The immediate surrounding area is the county in which the growth center is located. This is the area that will be most strongly affected by the economic activity of the center. If the influence of the growth center is not felt in its own county, it is unlikely that the center will affect other counties.

In terms of population, economic activity, and industrial structure, a viable growth center dominates most of the county in which it is located. Thus, although the growth centers are politically bounded, their economies encompass the entire county. Therefore, to assess the influence of the growth center, county data should be used.

B. USE OF CITY OR OBE ECONOMIC AREA DATA

Other geographical units were considered and rejected. Other possibilities were city or SMSA data, and data on the Office of Business Economics (OBE) Economic Areas. City data were rejected because city political boundaries do not reflect the range of a center's economic activity. Moreover, during the period covered by this study (1950-1970), many cities annexed adjacent territory, making consistent comparisons extremely difficult. In addition, EDA's designation criteria make use of city data inappropriate. These criteria allow the designation of growth corridors between cities, and city statistics do not include such areas. (In cases where EDA had designated a corridor which encompassed more than one county, aggregated data for the combined counties were used in the analysis.)

Data on OBE Economic Areas were not considered appropriate because these areas are too large to reflect the influence of individual growth centers.

C. CENTER DESIGNATION

Although data on counties were used to identify potential growth centers, only the major city or town within each selected county is recommended for designation. Usually, this place dominates the economic activity of the county, and contains the major portion of the existing infrastructure. Thus, EDA will achieve the greatest economies by investing here, because projects can be designed to take advantage of the existing infrastructure.

III. DISTRICTS AND REGIONS

A. ECONOMIC DEVELOPMENT DISTRICTS

Economic Development Districts (EDD's) were selected as the basic unit of analysis because they are relatively homogeneous and because a major objective was to identify growth centers within existing district boundaries.

Most districts are multi-county distressed areas where family incomes have remained below the national median, and unemployment has exceeded the national average. Of the 1,094 counties that comprised the 140 districts recognized by EDA as of December 31, 1970, 96 percent had family incomes below the national median and 64 percent had unemployment rates that exceeded the national average.¹

¹/ Table B.1 and B.2 contain regional income and employment data.

In addition to having similar income and employment statistics, the districts are relatively homogeneous with respect to the socioeconomic variables used by the Bureau of the Census in delineating multi-county State Economic Areas (SEA's), which are defined as:

"...groups of counties within a state which have similar economic and social characteristics.¹

In most cases, an economic development district is comprised of several SEA's. Most districts include less than 10 counties and, therefore, cover a relatively small geographic area. As a result, socioeconomic characteristics tend to be uniform throughout a district, even if district boundaries do not coincide exactly with those of an SEA. However, approximately two-thirds of the 140 EDD's have boundaries which conform to those of the SEA's.

B. MODIFIED ECONOMIC DEVELOPMENT DISTRICTS

Modified districts were developed by enlarging existing district boundaries to include those peripheral counties with commuting and trade patterns related to those of the district. In cases where such counties were members of other EDD's, no modifications were made.

The Economic Areas defined by the Office of Business Economics were used as a first approximation for delineating the modified district boundaries. The 173 Economic Areas are structured to minimize commuting across boundaries.²

^{1/} Donald J. Bogue, and Calvin L. Beale, Economic Areas of the United States, (New York, April 1961), p. XLIV.

^{2/} For a more detailed discussion, see U.S. Dept. of Commerce, Office of Business Economics, Regional Economics Division, OBE Economic Areas of the United States (Washington, D.C., September 1967).

To develop modified district boundaries, EDD boundaries were extended to include all counties associated with their respective OBE economic areas. Then, the enlarged districts were further modified to exclude counties at the periphery of the OBE economic areas that did not show significant trade relationships with the district. Rand-McNally Trade Areas were used for this step in refining modified district boundaries.^{1/} The results of these modifications were modified districts that corresponded closely to the "closed trade areas" of central place theory.^{2/}

The established commuting and trade patterns that exist within the modified districts as developed above make them cohesive planning units. Furthermore, if a growth center is identified in a modified district, it will have strong economic ties throughout the district.

C. REGIONS

1. Definition of Regions

All districts and modified districts were grouped into 13 regions for analysis. Each region was constructed to contain districts that were reasonably homogeneous with respect to geographic characteristics and economic activities. Two steps were taken to delineate regions.

^{1/}The 50 Major Trading Areas and their components, Basic Trading Areas, which were used for further modifying district boundaries, were delineated by the staff of Rand McNally. The boundaries of these areas were established on the basis of criteria covering physiographic characteristics, population, economic activity, newspaper circulation, highway facilities, railroad service, suburban transport, and field sales reports. Additional information is in 1970 Commercial Atlas and Marketing Guide, 101st Ed., Rand McNally and Company, Ossining, New York.

^{2/}Basically, a closed trade area is an area surrounding a city or urban place where goods and services are purchased locally. The boundaries of the trade area are "closed" when retail sales and service patterns can no longer be associated with a specific city.

First, modified districts were grouped into larger areas approximating the "economic regions" defined by Bogue and Beale. Each of the economic regions is a combination of smaller geographical units that are comparatively homogeneous in terms of topography, climate, and economic interrelationships. Second, each of the modified district groupings was altered to conform to the major topographical characteristics (e.g., mountain ranges, plateaus, valleys, and plains) of the area. When feasible, boundary problems between contiguous regions were settled by using the boundaries established by EDA's Title V Regional Commissions or the Appalachian Regional Commission.

These procedures resulted in the delineation of 13 relatively homogeneous regions. These regions are depicted in Figure B-1.

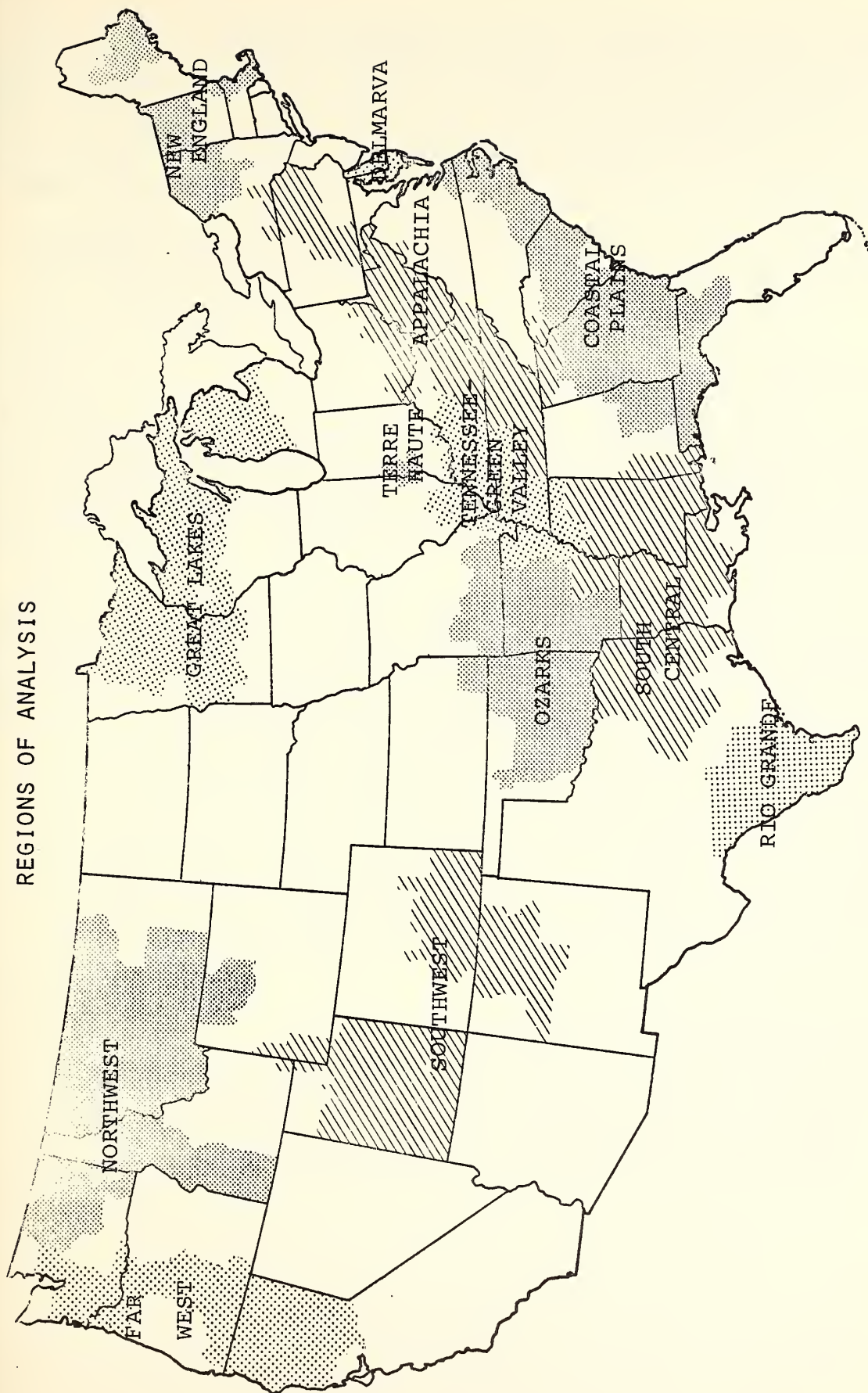
2. Southwest, Great Lakes, and New England Regions

The Southwest, Great Lakes, and New England Regions are not composed of entirely contiguous districts or modified districts. The Southwest Region is divided into two parts, both of which lie within the Rocky Mountain and Intermountain Economic Region as defined by Bogue and Beale. For this study, both sections were treated as a single contiguous geographical unit.

The Great Lakes Region also has two geographically separate parts that were combined and treated as a single unit. One of the sections falls within Bogue and Beale's Northern Woods Economic Subregion, while the other is included in the area they identify as the Upper Great Lakes Economic Region. The New England Region is composed of three parts. The two larger sections are located in Bogue and Beale's Eastern Great Lakes and Northeastern Upland Economic Region, and in the northern extension of the Appalachian Plateau. The remaining section consists of one modified district, which lies within New England but does not have the same physical characteristics as the other two parts.

FIGURE B.1

REGIONS OF ANALYSIS



3. Terre Haute, Delmarva, and Rio Grande Regions

The Terre Haute and Delmarva Regions each consist of one district. The Terre Haute Region is a modified district composed of an SMSA and a few neighboring counties. The Delmarva Region encompasses the entire Delaware-Maryland-Virginia Peninsula. The economic and physical characteristics of these areas precluded them from being combined with the modified districts of other regions. The Rio Grande Region covers four districts and lies wholly within the Gulf Coast and Atlantic Flatwoods Economic Region and the Rio Grande Plain.

4. Northwest and Far West Regions

The Cascade Mountains and Columbia Plateau were used to delineate the boundary between the Northwest and Far West Regions. The Northwest Region extends from the Scablands to the Snake River Valley, while the Far West Region covers the area between the Puget Trough of Washington and Napa Valley of California.

5. Coastal Plains, Appalachian, and Tennessee-Green Valley Regions

The Appalachian Regional Commission Boundary and the physical characteristics of the Appalachian and Piedmont Plateaus were used to demarcate the Coastal Plains and Appalachian regional boundaries. The area between the Appalachian and Ozark Plateaus was identified as the Tennessee-Green Valley Region. This area includes the western end of the Ohio Valley, the Kentucky Blue Grass area, and the Wabash Valley. Overall, the economic and geographical characteristics of the area differ considerably from those of the Ozarks and Appalachian Regions on which it borders.

6. Ozarks and South Central Region

The Ozarks Regional Commission boundaries were used in delineating the Ozarks Region, which includes most of the Ozarks Plateau and the northernmost part of the Mississippi Basin. Only the western portion of Bogue and Beale's Central and Eastern Upland Region was included in the Ozarks Region.

The final region identified was the South Central Region, which borders the Ozarks, Tennessee-Green Valley, and Coastal Plains Regions. This area covers most of the Mississippi Basin, portions of the Gulf Coast and the westernmost part of the Coastal Plain. Most of the region lies in the area identified by Bogue and Beale as the South Center and Southwest Plains Region.

D. INCOME AND ECONOMIC CHARACTERISTICS OF REGIONS

Table B.1 shows the family income characteristics for each of the regions. All counties in the Coastal Plains, Tennessee-Green Valley, Rio Grande, and Terre Haute Regions had median family incomes below the national value in 1960. In that year, more than 99 percent of the counties in the Ozarks, Appalachian, and South Central Regions had median family incomes below the national median. Only the Far West Region, where 30 percent of all counties had median family incomes below the national median, appeared to differ considerably from the others.

Table B.2 shows the unemployment rate characteristics of each of the regions. Again, the regions appear to be uniformly distressed. Only the Coastal Plain Region had more counties below the national unemployment rate than above. All other regions had at least 56 percent of their counties with unemployment rates exceeding the national rate.

TABLE B.1
CHARACTERISTICS OF MEDIAN FAMILY INCOME IN DISTRICT COUNTIES (1960)

REGION	NUMBER OF DISTRICT COUNTIES IN REGION	NUMBER OF DISTRICT COUNTIES WITH MEDIAN INCOME BELOW NATIONAL MEDIAN	PERCENT OF DISTRICT COUNTIES WITH MEDIAN INCOME BELOW NATIONAL MEDIAN
Coastal Plains	191	191	100%
Rio Grande	36	36	100%
Tennessee-Green Valley	106	106	100%
Terre Haute	5	5	100%
Appalachia	199	197	99%
Ozarks	129	128	99%
South Central	181	180	99%
New England	32	30	94%
Delmarva	14	13	93%
Great Lakes	87	79	91%
Southwest	43	39	88%
Northwest	41	34	83%
Far West	30	9	30%
TOTAL	1,094	1,047	96%

TABLE B.2

CHARACTERISTICS OF UNEMPLOYMENT RATE IN DISTRICT COUNTIES (1960)

REGION	NUMBER OF DISTRICT COUNTIES IN REGION	NUMBER OF DISTRICT COUNTIES WITH UNEM- PLOYMENT RATE ABOVE NATIONAL AVERAGE	PERCENT OF DISTRICT COUNTIES WITH UNEM- PLOYMENT RATE ABOVE NATIONAL AVERAGE
Far West	30	29	97%
Great Lakes	87	76	87%
Appalachia	199	161	81%
Northwest	41	33	81%
New England	32	25	78%
Delmarva	14	10	71%
Southwest	43	26	61%
Terre Haute	5	3	60%
Ozarks	129	75	58%
Tennessee-Green Valley	106	59	56%
Rio Grande	36	20	56%
South Central	181	102	56%
Coastal Plains	191	84	44%
TOTAL	1,094	703	64%

PART TWO - DETERMINATION OF POTENTIAL GROWTH CENTERS

I. INTRODUCTION

The first step in identifying potential growth centers involved using a modified shift-share analysis to isolate those counties in the 13 identified regions that have dissimilar employment structures or dissimilar changes in those structures. Counties selected by this procedure were then analyzed with respect to:

- . employment growth in seven major sectors;
- . employment structure;
- . population change;
- . location with respect to Standard Metropolitan Statistical Areas; and
- . commuting distance from redevelopment areas.

The largest place in each county passing this final group of tests was identified as a potential growth center.

II. MODIFIED SHIFT-SHARE ANALYSIS

A. SCOPE OF ANALYSIS

A modified shift-share analysis was used to isolate counties for further study. ^{1/} The underlying assumption was that most counties in a distressed region have similar employment characteristics and thus offer limited potential for further growth. Counties with dissimilar characteristics are more likely to contain a potential growth center.

^{1/} This technique was developed by John A. Kuehn and Lloyd D. Bender in "An Empirical Identification of Growth Centers." Land Economics (November 1970). Their method is based upon analysis of employment structure and changes in the pattern of employment structure and has the "objective of isolating growth poles within distressed areas."

The modified shift-share analysis consisted of:

- . a shift-share analysis to determine changes in each county's employment structure; and
- . a correlation analysis to identify the counties with the most dissimilar changes.

B. SHIFT-SHARE ANALYSIS

Use of shift-share analysis to analyze an area's economic potential is based on the assumption that two facts need to be known about its growth. These facts are (1) whether the area has many rapid-growth industries i.e., a favorable industrial mix, and (2) whether it has an increasing share of particular industry sectors.

While increases in employment are not the same as economic growth, employment data provides a clear and uniform measure of economic activity. In addition, EDA's growth concept is based on the creation of jobs. As previously indicated, the county was selected as the geographic area best suited for an analysis of growth centers. Therefore, the basic data used in this study were figures on county employment in the 32 industry sectors for 1940, 1950, and 1960.^{1/} These sectors are identified in Table B.3.

This analysis separated county employment growth in each industry into three components.

(1) The share(S) is that part of an industry's employment growth in a county that can be attributed to total regional employment trends. It represents the increase that would have occurred in a county's employment in a particular industry had it grown at the same rate as the regional average of all industries combined. It is computed by multiplying the county's base year employment in that industry by the regional growth rate for all industries, and is the base from which the two shift components are measured.

(2) The composition shift (M) is that part of a specific industry's employment growth in a county that can be attributed to that industry's regional growth rate. It represents the number of additional jobs that would have been available in the county had that industry grown regionally at the same rate as the all industry average. It is computed by subtracting the average regional growth rate of all industries from the regional growth rate of the particular industry under consideration and multiplying this difference by the county's base year employment in the same industry.

^{1/} 1970 data will be incorporated as soon as they are available.

TABLE B.3

INDUSTRY SECTORS

(Employment by Place of Residence)

NO.	INDUSTRY SECTORS
1	Agriculture
2	Forestry and Fisheries
3	Mining
4	Contract Construction
5	Manufacturing: Food and Kindred Products
6	Manufacturing: Textile Mill Products
7	Manufacturing: Apparel and other Textiles
8	Manufacturing: Printing and Publishers
9	Manufacturing: Chemicals and Allied Products
10	Manufacturing: Lumber and Furniture
11	Manufacturing: Machinery, excluding Electrical
12	Manufacturing: Electrical Equipment and Supplies
13	Manufacturing: Transportation Equipment
14	Manufacturing: Paper and Allied Products
15	Manufacturing: Petroleum Refining
16	Manufacturing: Primary Metals Industry
17	Manufacturing: Fabricated Metals and Ordinance
18	Manufacturing: Miscellaneous Manufacturing
19	Transportation
20	Communications
21	Utilities
22	Wholesale Trade
23	Eating and Drinking Places
24	Other Retail Trades
25	Finance, Insurance and Real Estate
26	Lodging Places and Personal Services
27	Business and Repair Services
28	Amusement and Recreation Services
29	Private Households
30	Educational, Medical, and Professional Services
31	Public Administration
32	Armed Forces

(3) The competitive shift (C) is that part of an industry's employment growth in a county that can be attributed to the industry growing at a different rate in the county than throughout the region. It represents the number of additional jobs that would have been available had the industry in the county grown at the same rate as it did in the region. It is computed by subtracting the regional growth rate of the industry from the industry's growth rate in the county and multiplying the difference by the county's base year employment in that industry.

Total employment growth of an industry in a county is the sum of the three components.

The two shift components, M and C, are concerned with that portion of a industry's growth in a county that is above or below the regional average growth rate of all industries. That is, the sum of the shift components is equal to the difference between the actual employment change in the industry in the county and the change that would have occurred had the industry's county employment grown at the regional rate of all industries.

The composition shift, M, measures the effect of some industries growing faster on a regional basis than others. The competitive shift, C, measures the difference between the growth rate of a given industry in a county and the growth rate of that industry regionally. Areas that have locational advantages for particular industries should have net upward competitive shifts. Such internal competitive shifts in industrial composition, which often reflect transition from an agricultural to an industrial economy, indicate growth potential.

The three components of the shift-share analysis can be defined mathematically as follows:

Share (S)

$$S_{ij} = E^0_{ij} \left[\frac{E^t_n}{E^0_n} - 1 \right]$$

Composition Shift (M)

$$M_{ij} = E^0_{ij} \left[\frac{E^t_{in}}{E^0_{in}} - \frac{E^t_n}{E^0_n} \right]$$

Competitive Shift (C)

$$C_{ij} = E^0_{ij} \left[\frac{E^t_{ij}}{E^0_{ij}} - \frac{E^t_{in}}{E^0_{in}} \right]$$

Total Employment Change

$$E^t_{ij} - E^0_{ij} = S_{ij} + M_{ij} + C_{ij}$$

where:

S = Share

M = Composition shift

C = Differential or competitive shift

E_{ij} = Employment in industry i in county j

E_{in} = Employment in industry i in the region

E_n = Employment in all industries in the region

Subscript j = 1,2,...., n where n is number of counties

Subscript i = 1,2,...., 32 industry sectors

Subscript t = Final time period

Subscript 0 = Initial time period

Each of the shift components was summed across the 32 industry sectors to give the total composition shift and the total competitive shift of a county:

Total Composition Shift

$$\sum_{i=1}^{32} M_{ij}$$

Total Competitive Shift

32

$$\sum_{i=1} C_{ij}$$

The 32 C_{ij} 's indicated whether county j's share of industry i was growing faster or slower than the same industry regionally. Each of the 32 M_{ij} 's indicated whether county j had some share of industry i that was growing faster or slower than the average of all industries regionally. Summation of the two components provided two more observations for each county, making a total of 66 observations per county.

C. CORRELATION ANALYSIS

The 66 observations for a particular county were correlated with the same 66 observations for each of the other counties in the region.

The (n-1) correlation coefficients for a particular county were then summed to give an index of the similarity of the county with the rest of the region. The smaller the sum of the correlation coefficients, the more dissimilar the county. The counties in each region were then ranked according to the sum of their coefficients.

D. HISTOGRAMS OF THE INDICES OF SIMILARITY

Histograms of the indices of similarity were constructed for each of the 13 regions. This was done to determine an appropriate cut-off point for separating dissimilar places from all others within their respective regions. The histograms show that the distribution of the index values are highly skewed to the right, as would be expected since similar places have larger index values and are more numerous than dissimilar places. Histograms for the 10 regions are provided in Charts I through X. ^{1/}

Cut-off points were established for each region in the following manner. A cut-off point was selected on the histogram at approximately the point of inflection on the curve. This cut-off point was then tested as follows.

^{1/} Histograms for three regions have been omitted. An explanation is provided in the section on Statistical Limitations.

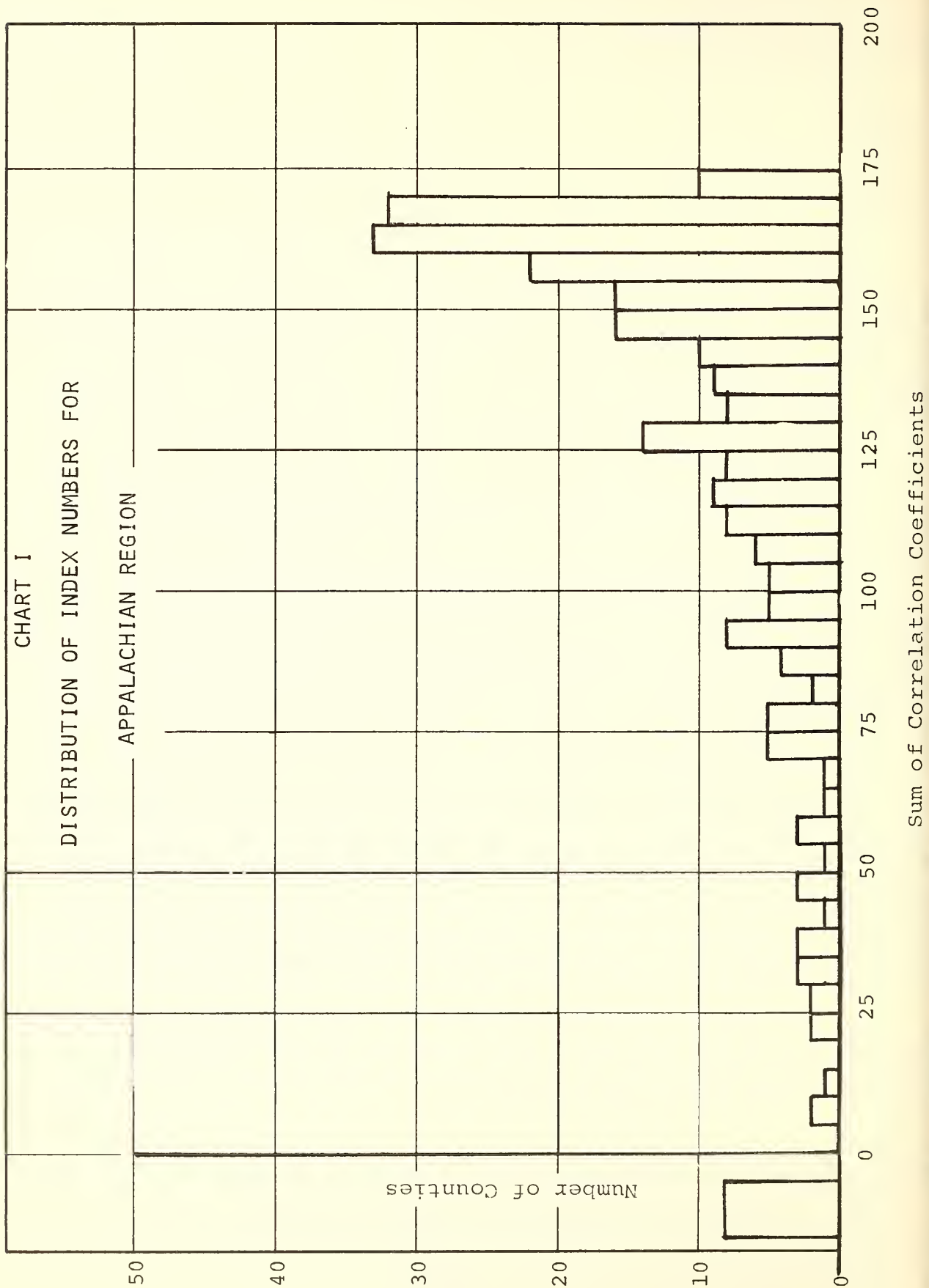


CHART II
DISTRIBUTION OF INDEX NUMBERS FOR
OZARKS REGION

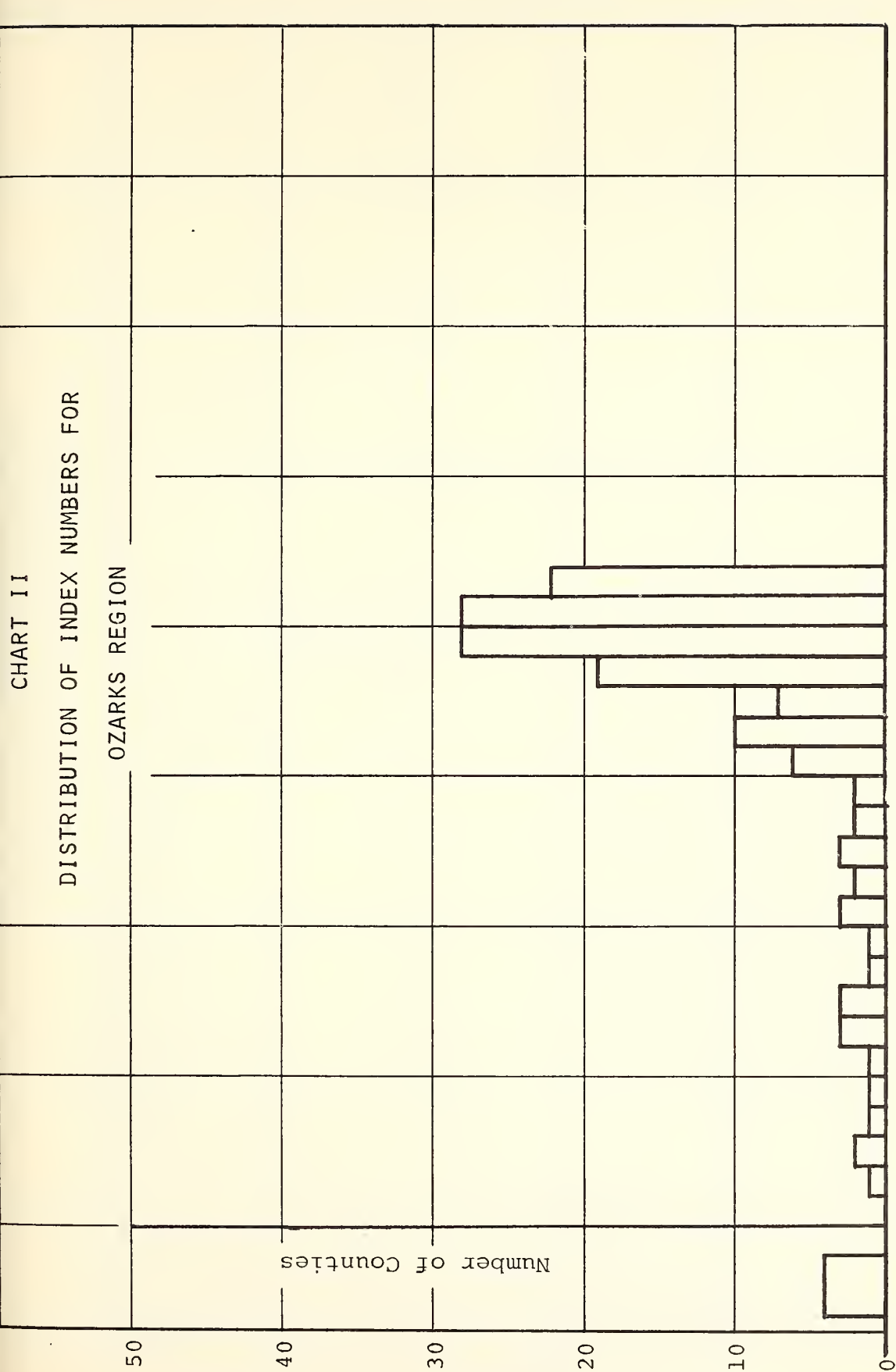
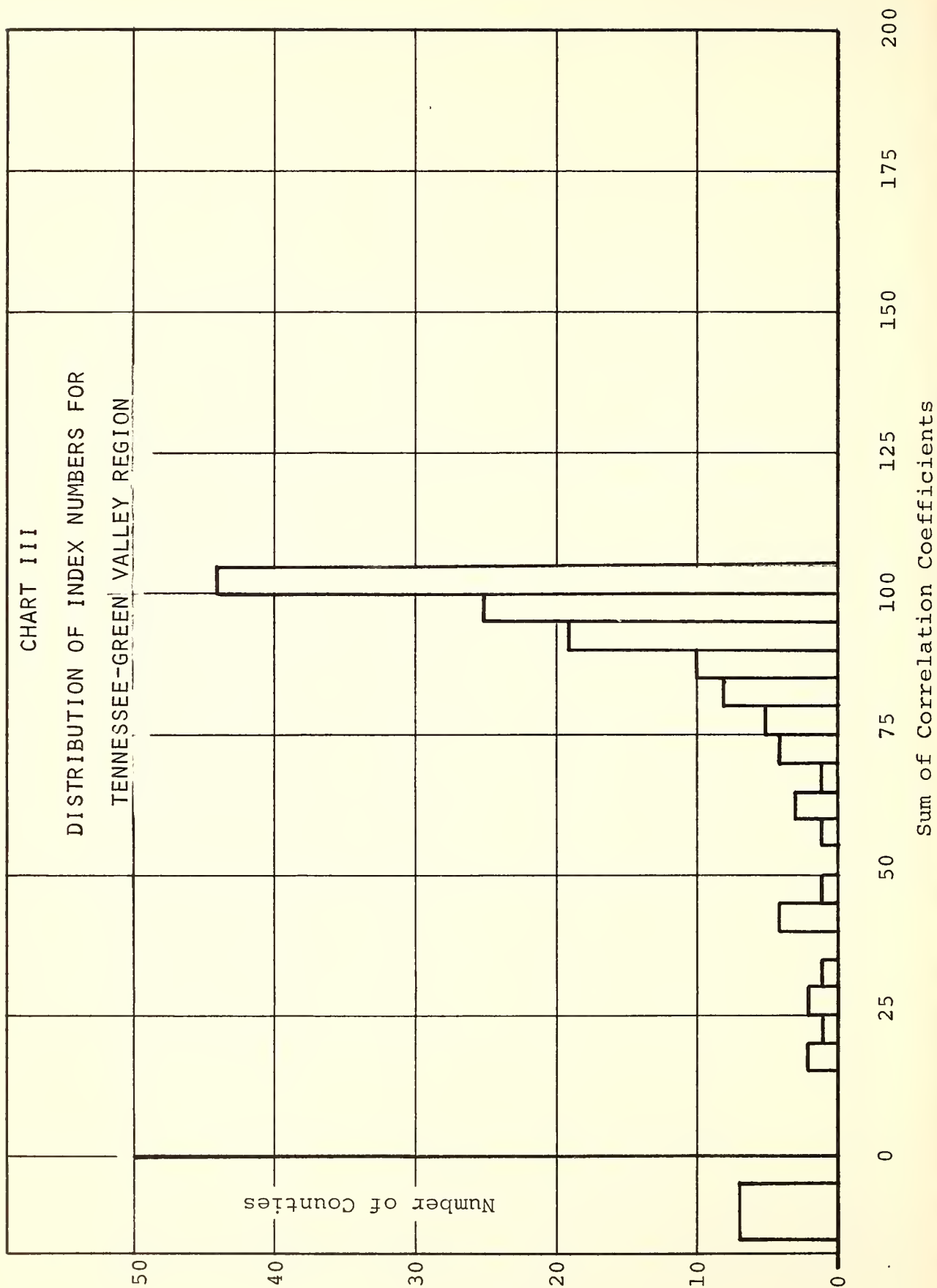


CHART III
DISTRIBUTION OF INDEX NUMBERS FOR
TENNESSEE-GREEN VALLEY REGION



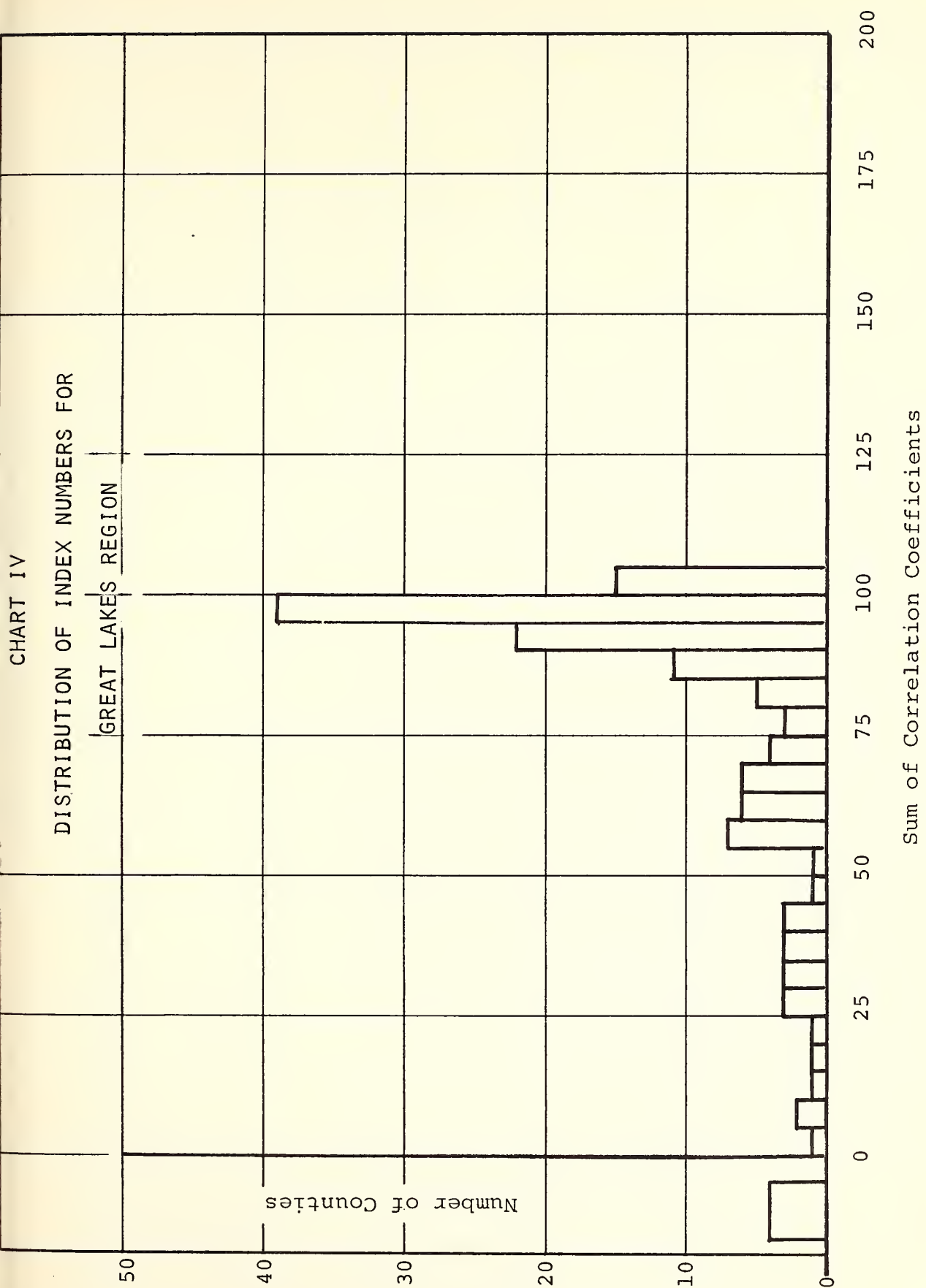


CHART V
DISTRIBUTION OF INDEX NUMBERS FOR
COASTAL PLAINS REGION

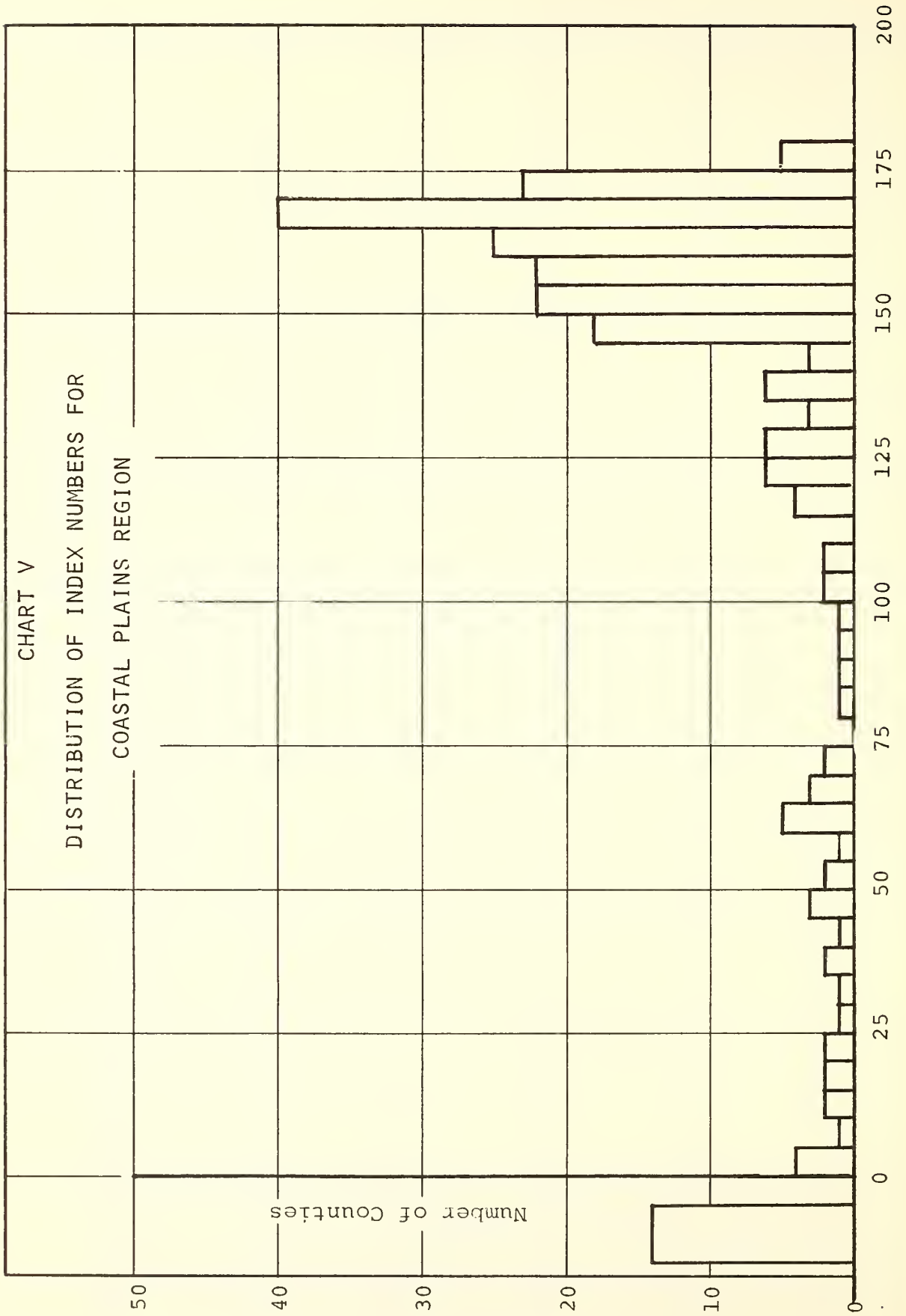
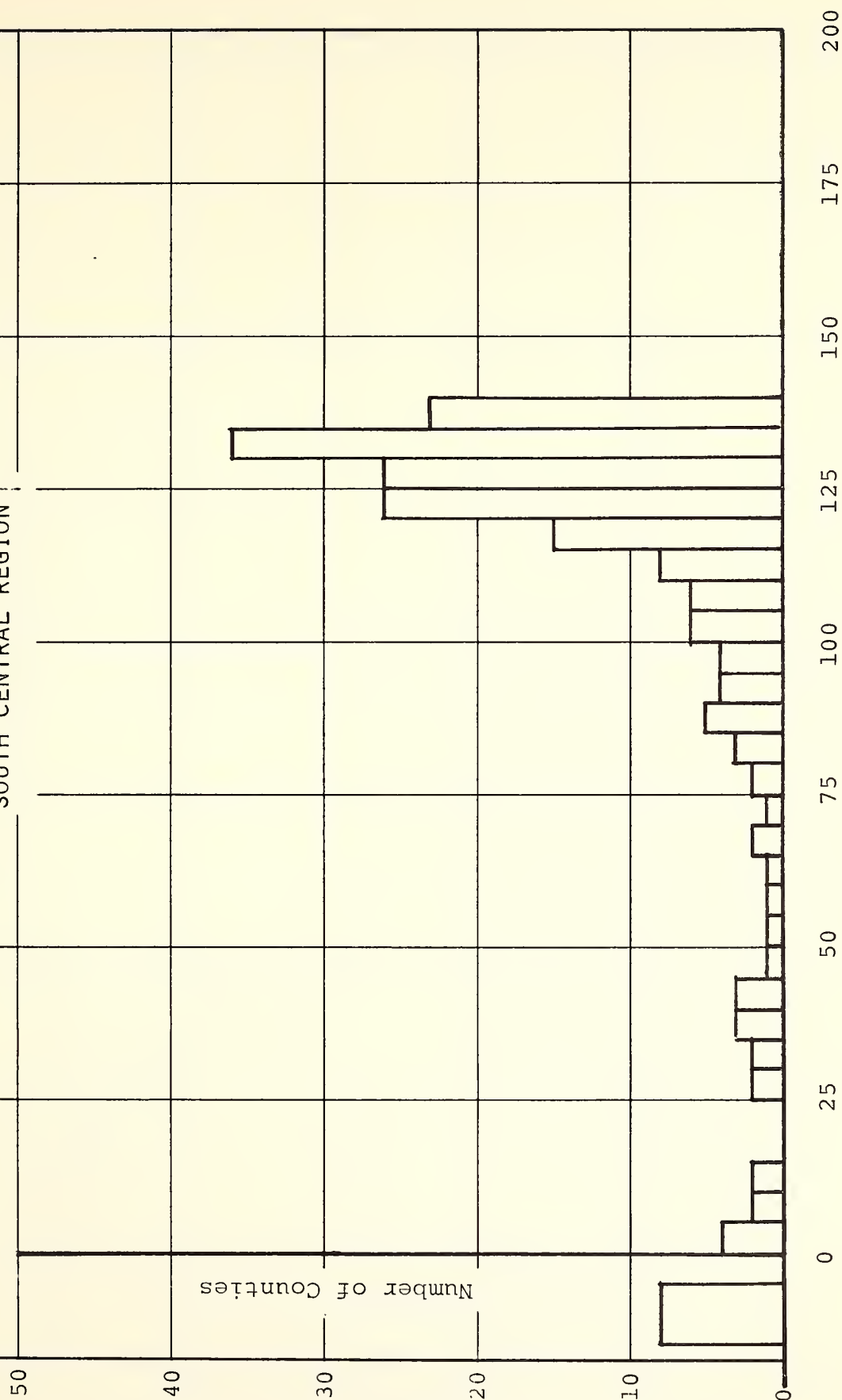


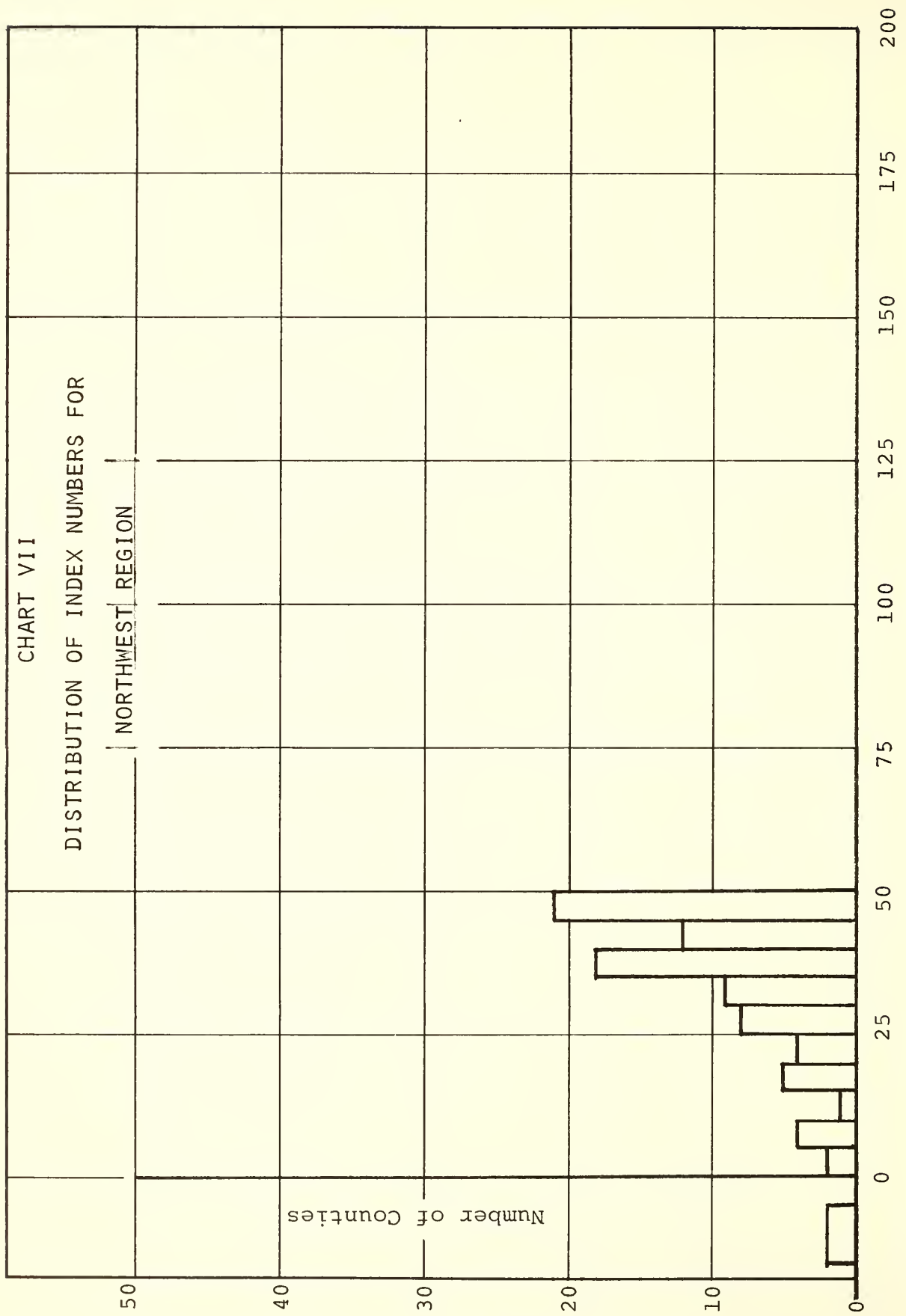
CHART VI

DISTRIBUTION OF INDEX NUMBERS FOR

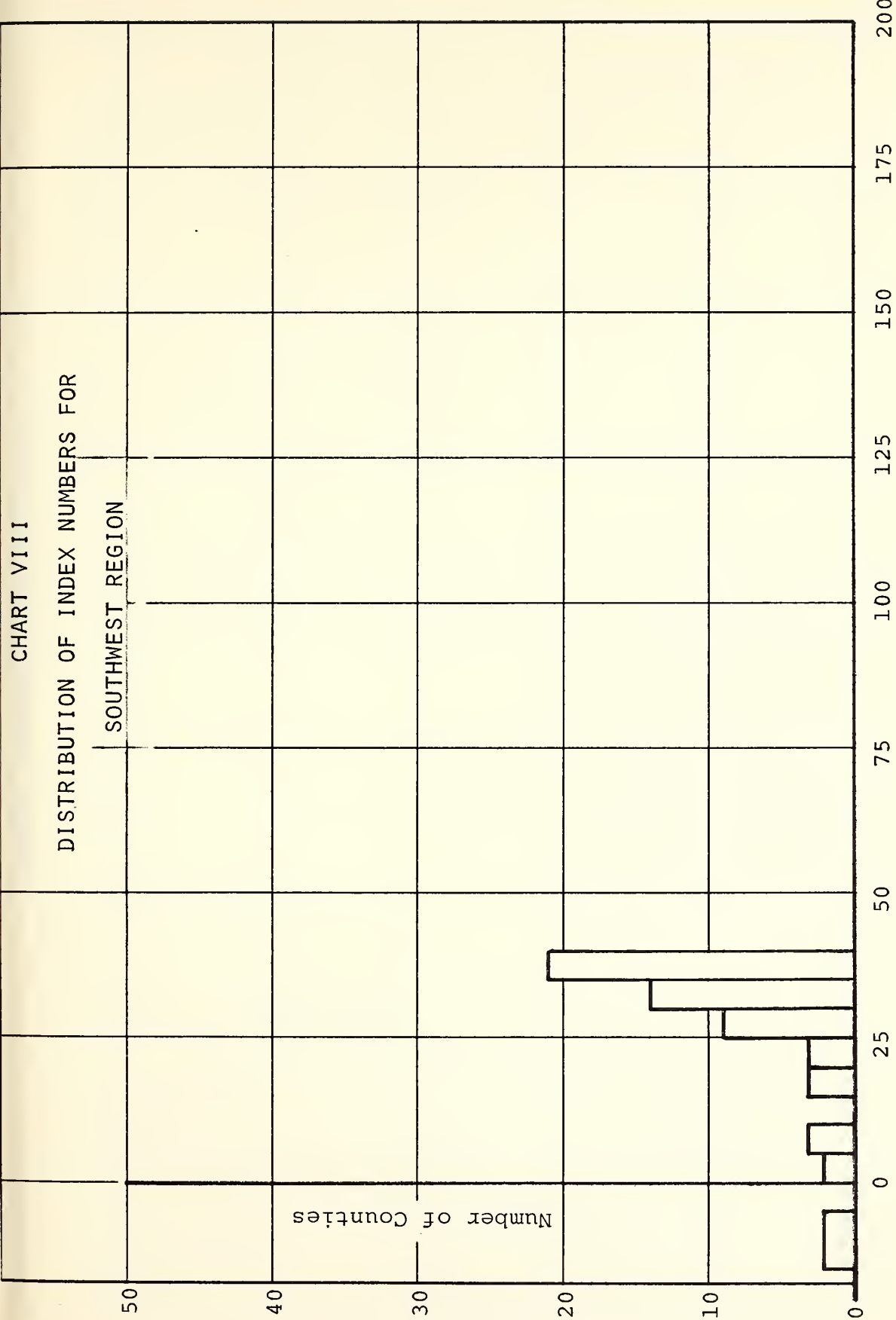
SOUTH CENTRAL REGION



Sum of Correlation Coefficients



Sum of Correlation Coefficients



Sum of Correlation Coefficients

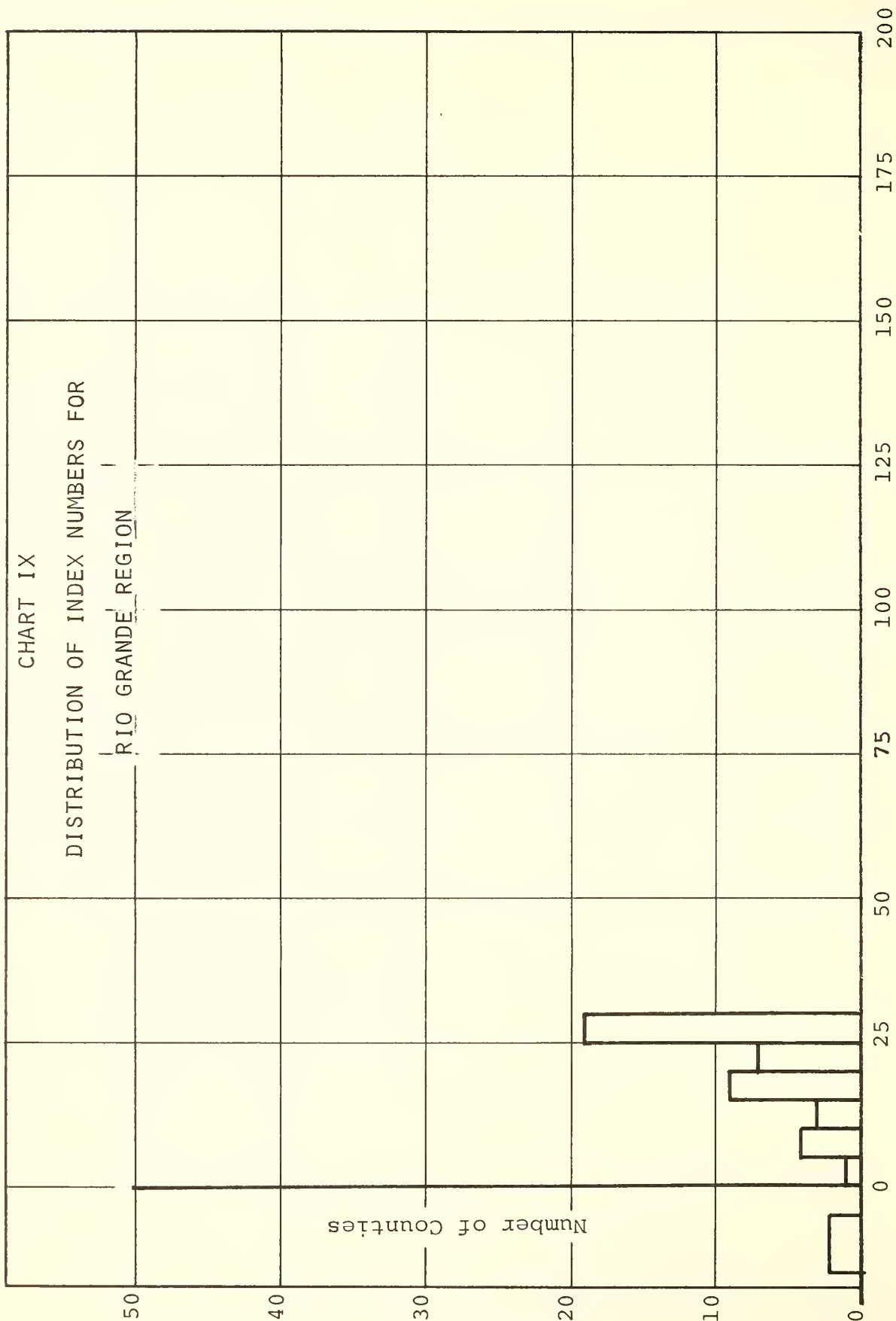
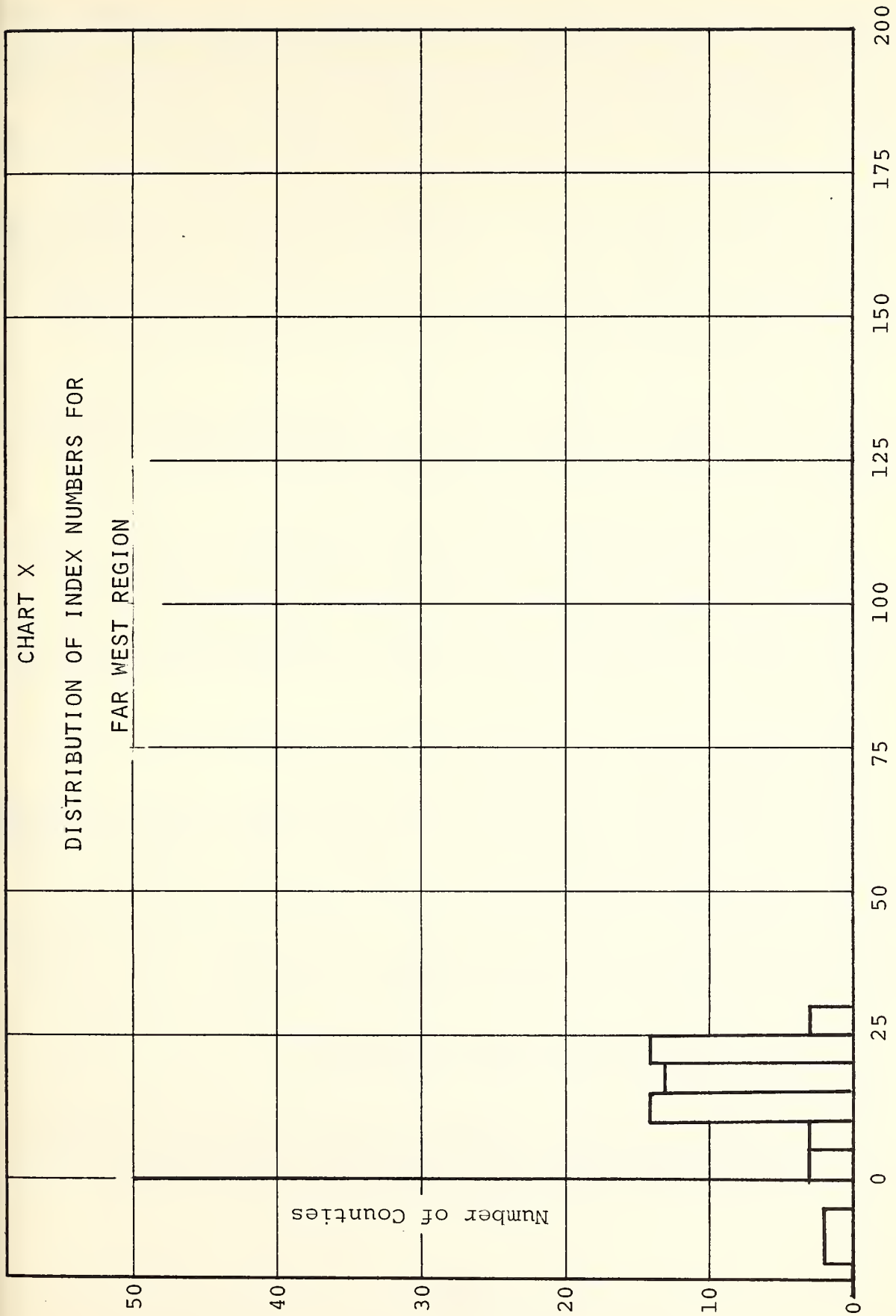


CHART X

DISTRIBUTION OF INDEX NUMBERS FOR
FAR WEST REGION



Sum of Correlation Coefficients

The 10 counties immediately to the right of the cut-off point and counties selected through a random sample of all counties to the right of the cut-off point were tested under the county selection criteria explained in detail in Section IV. If any of these counties qualified as a Type I or Type II center, the cut-off point was adjusted to include that county. Then, the procedure was repeated to determine if any of the 10 counties immediately to the right of the new cut-off point or any of the counties picked through a random sample of all counties to the right of the new cut-off point met the criteria for Type I or Type II centers. This procedure was repeated until none of the counties - either those 10 immediately to the right of the cut-off point or those included in the sample of all counties to the right of the cut-off point - satisfied the selection criteria. When that occurred, it was judged that a satisfactory cut-off point had been reached.

For the most part, the results of these tests showed that the places to the right of the original cut-off point could not meet the county selection criteria. The exceptions, observed in three regions, are discussed in the following section on Statistical Limitations.

It should be emphasized that the shift-share analysis was used only to reduce the number of counties to be examined under the criteria for county selection. The purpose of the analysis was to eliminate those counties that were similar with respect to distressed economic conditions and would not be potential growth centers. The shift-share analysis was not part of the selection procedure.

E. LIMITATIONS OF THE STATISTICAL TECHNIQUE

It was found that the statistical technique failed to identify dissimilar places when the number of observations (counties) within a region was extremely small. Three regions were affected: Delmarva, New England, and Terre Haute. The criteria for county selection, discussed below, were applied to all counties within the three smallest regions. All other regions had a sufficient number of counties so that the statistical technique did differentiate between the similar and dissimilar counties.

III. BASIS OF CRITERIA FOR COUNTY SELECTION

A. INTRODUCTION

Counties selected by the modified shift-share analysis were analyzed in detail with respect to employment and population. Four criteria were employed. These criteria are:

- . percent change in employment in seven major sectors;
- . ratio of manufacturing employment to total employment;
- . ratio of non-basic employment to total employment; and
- . percent change in population between 1960 and 1970.

The criteria are discussed in Section IV. This section discusses the background for their selection.

B. COUNTIES IDENTIFIED BY SHIFT-SHARE ANALYSIS

Counties identified by the modified shift-share analysis were:

- . counties that are more distressed than others within their regions;
- . counties with extremely specialized economies such as recreation, mining, and retirement; and
- . counties that reflect potential for further growth concurrent with employment growth impact in surrounding areas.

A minimum requirements approach was used to identify counties of the last type.

C. MINIMUM REQUIREMENTS BASE ANALYSIS

The minimum requirements approach determines the minimum percentage of a labor force required in various sectors of an area's economy to maintain the viability of the area.^{1/} Three

^{1/} For some general contributions to the literature on economic base theory, see Irving Morrisett, "The Economic Structure of American Cities," presented at the Regional Science Association meeting and published in Papers and Proceedings, 1958; Edward L. Ullman and Michael F. Dacey, "The Minimum Requirements Approach to the Urban Economic Base," PPRSA, Vol. 6, 1960; Charles L. Leven, "The Economic Base and Regional Growth," in Research and Education for Regional and Area Development (Iowa State University Center for Agricultural and Economic Development, Iowa State University Press: Ames, Iowa, 1967).

modifications were introduced. First, the distinction between basic production (for export) and non-basic production (for local consumption) for each industrial sector was dropped in preference to aggregating manufacturing employment as the area's basic export sector. Second, employment in the various trade and service industries was aggregated to represent the area's non-basic employment structure. Last, rather than comparing the employment characteristics of areas with each other, the benchmark for comparison was the average regional distribution of employment by major industrial sectors.^{1/}

Two employment base measures were developed. The first was the ratio of manufacturing employment to total employment. The relative size of an area's manufacturing base is related to national and regional market forces. The greater the demand for an area's manufactured goods, the larger the relative size of the area's manufacturing base. It was determined that the relative size of an area's manufacturing base was of strategic importance for an area's overall future employment growth. According to Perloff,

Manufacturing is one of the largest and most dynamic sectors of total employment. In explaining shifts in total employment, its role is especially important because it is the basic link between resource sectors and consuming sectors of the economy. Because internal and external economies of scale are so often important, a significant segment of manufacturing activity is characterized by a large intra-industry absorption of inputs and outputs and a locational orientation towards "intermediate" inputs and outputs.^{2/}

^{1/} Fundamentals of export base theory are brought into the analysis by the first and second modifications. The distinction between export industries and tertiary or service industries and activities is straightforward. In theory, economic activities directly related to the export of goods and services are said to create a flow of funds into the exporting area which induces further growth and sets the overall level of activity in the local service and trade sectors. See Douglass C. North, "Location Theory and Regional Economic Growth," Journal of Political Economy, Vol. 63 (June 1955) pp. 243-58, and Harvey S. Perloff, et al., Regions, Resources and Economic Growth (University of Nebraska Press: Lincoln, 1960), particularly Chapter 4, "Theories of Regional Economic Growth," pp. 55-62.

^{2/} Perloff, p. 462. In addition to Perloff's view, Ullman and Dacey, op. cit., have empirically determined that manufacturing employment is generally the largest export component of most cities (p. 189).

The second employment base measure was a ratio of the sum of all employment in the trade and service industries to total employment. This is considered the non-basic component of an area's industrial structure. It must be large enough to service the area's local market and surrounding counties. Although most economic base studies assume that the non-basic sector is primarily "adaptive" to changes in the export sector, it was assumed that the relative size of both sectors - basic and non-basic - is significant in the development process of distressed areas.^{1/} Thus, the employment structure of an area is considered to offer greater potential for future growth and impact on the surrounding area when the percent employed in the basic and non-basic sectors is greater than or equal to that of its region.^{2/} A listing of the industries in both the basic and non-basic sectors appears later in this Appendix.

D. EMPLOYMENT AND POPULATION

The third part of the methodology follows logically from the base analysis of the preceding section. If an area's economic base is at least as viable as that of the represen-

^{1/}For a discussion of the roles of the basic and non-basic sectors in the development process, see Charles M. Tiebout, "The Community Economic Base Study," Supplementary Paper No. 16, Committee for Economic Development. For a discussion of policy implications and the role of the non-basic sector in the development process, see Charles M. Tiebout and Theodore Lane, "The Local Service Sector in Relation to Economic Growth," in Research and Education for Regional and Area Development, cited above.

^{2/}See Perloff, et al; Victor R. Fuchs, Changes in Location of Manufacturing in the United States since 1929 (New Haven, Connecticut: Yale University Press, 1962); George H. Borts and Jerome L. Stein, Economic Growth in a Free Market (New York, New York: Columbia University Press, 1964); and Edgar S. Dunn, Jr., "A Statistical and Analytical Technique for Regional Analysis," Papers and Proceedings of the Regional Science Association, Vol. VI, 1960. For criticisms, see David B. Houston, "The Shift and Share Analysis of Regional Growth: A Critique," The Southern Economic Journal, April 1967, pp. 577-81, and rejoinder by Lowell D. Ashby, "The Shift and Share Analysis: A Reply," The Southern Economic Journal, January 1968, pp. 423-25.

tative base for the region, overall employment and population growth should be increasing. Two variables were developed to measure the aggregative growth process.^{1/} The first measures the percent change in employment during the decade preceding the computation of the basic and non-basic components of an area's employment structure.^{2/}

Since comparable employment data was not available for the 1960-70 decade, the second variable - the percent change in an area's population - was used as a proxy for estimating continued employment growth.^{3/} Together, both variables describe a 20-year growth path for each of the areas included in this study.

^{1/}The measurement of economic growth is discussed in some detail in Urban and Rural America, Policies for Future Growth, Advisory Commission on Intergovernmental Relations, Washington, D. C., (A-32), pp. 30-53, April 1968. See also Harvey S. Perloff, "Problems of Assessing Regional Economic Progress," Regional Income, National Bureau of Economic Research, Studies in Income and Wealth, Vol. 21 (Princeton: Princeton University Press, 1957) pp. 35-62.

^{2/}The employment variable discussed above excludes employment in the military sector as well as employment in major industrial sectors which are declining nationally.

^{3/}The use of population growth as a proxy for employment growth received support from an experiment performed concurrently with this study. Basically, the percent change in employment for 1,435 counties for the period 1950 to 1960 was correlated with population change for the same period. The resulting correlation coefficient was 0.98. When the counties were divided into two groups - growing counties and non-growing counties as measured by overall population changes - the correlation coefficient for the growing counties (population and employment both increasing) was 0.98. For non-growing counties, the correlation coefficient was 0.93. These results were sufficiently significant to warrant using population change as a proxy variable for employment growth.

IV. APPLICATION OF CRITERIA FOR COUNTY SELECTION

A. INTRODUCTION

Three classification categories - Type I, Type II, and Type III counties - were developed by this analysis. The four variables discussed in the previous section were used to determine a county's classification. Table B.4 on the following page presents the regional averages which were used as the minimum requirements for each variable.

B. EMPLOYMENT GROWTH IN KEY SECTORS

The first variable used in the analysis was the percent change in employment in the following seven major employment sectors:

- (1) contract construction;
- (2) manufacturing;
- (3) trade;
- (4) finance, insurance and real estate;
- (5) communications and utilities;
- (6) services; and
- (7) public administration.

These seven employment sectors have nationally experienced growth during the past two decades. Employment in the primary, mining, and railway transportation services sectors has declined during the same period. Employment growth cannot occur unless the other sectors are able to absorb the employment decreases in the latter three declining sectors.

Military employment is also omitted from this decision variable, although it is not a declining sector. The presence of a military base often stimulates the local service sector, particularly entertainment. If a county has been able to grow by supporting the military, this fact will be reflected in the service sector. As stated in the previous section, the county's employment growth, as defined above, must have exceeded the corresponding regional employment growth rate.

TABLE B.4
REGIONAL NORMS FOR DECISION CRITERIA

REGION	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
New England	12.8%	.53	.32	9.7%
Delmarva	22.3%	.43	.30	7.7%
Terre Haute	11.9%	.50	.25	0.9%
Appalachia	18.8%	.45	.30	3.7%
Ozarks	21.7%	.55	.17	8.9%
Tennessee-Green Valley	22.4%	.49	.18	6.1%
Great Lakes	22.1%	.50	.26	12.2%
Coastal Plains	30.9%	.46	.20	12.0%
South Central	30.4%	.53	.19	11.7%
Northwest	24.0%	.55	.13	4.3%
Southwest	47.0%	.59	.13	25.3%
Rio Grande	31.0%	.57	.09	9.4%
Far West	32.7%	.56	.23	17.9%

C. MANUFACTURING AND NON-BASIC EMPLOYMENT

The second decision criterion used two variables. The first was the ratio of manufacturing employment to total employment. The second was the ratio of non-basic employment to total employment. Non-basic employment is defined as the sum of employment in:

- (1) contract construction;
- (2) trade;
- (3) finance, insurance and real estate;
- (4) communications and utilities;
- (5) services; and
- (6) public administration.

The logic behind the use of these ratios was discussed in Section III.

In each case, the ratio for the growth center county had to be equal to or greater than that of the corresponding region. Counties could meet this decision criterion only by having both manufacturing and non-basic employment ratios greater than or equal to the regional average. This insured that counties selected as Type I growth centers had a sufficient manufacturing and service base to support continued economic expansion.

D. POPULATION GROWTH

The third decision variable was the percent change in population between 1960 and 1970. To be selected as a Type I growth center, the county's population increase had to exceed that for the entire region.

E. SUMMARY OF DECISION CRITERIA

The relationship between the decision criteria and the Type I, Type II, and Type III ratings is summarized in the chart below. In the chart, a "+" indicates that the criterion must be met; "-" indicates it need not be met.

To contain a Type I growth center, it was necessary for the county to meet both the 1960 base requirements and

TABLE B.4
GROWTH CENTER DECISION CHART

DESIGNATION OF COUNTY	PERCENT CHANGE IN EMPLOYMENT 1950 - 1960	MANUFACTURING AND NON-BASIC EMPLOYMENT RATIO 1960	PERCENT CHANGE IN POPULATION 1960 - 1970
Type I	+	+	+
Type I	-	+	+
Type II	+	-	+
Type II	+	+	-
Type II	-	-	+
Type III	-	+	-
Type III	+	-	-
Type III	-	-	-

the requirement for population increase for 1960-1970. A county could still be characterized as a Type I growth center if the 1950-1960 employment growth rate was below the regional average. The 1950-1960 period was viewed as a readjustment or transition period during which a viable economic base might be established to support growth during the follow decade.

To contain a Type II growth center, a county had to meet one of three conditions:

- Satisfy both the percent change in employment criterion and the percent change in population criterion. If the county had also passed the manufacturing and non-basic employment test, it would have been a Type I candidate. If it did not pass the manufacturing and non-basic employment test, it was felt that a population change exceeding the regional rate indicated potential for growth. Thus, the county was designated as a Type II candidate.
- Satisfy both the percent change in employment criterion and the manufacturing and non-basic employment criterion. In this case, growth for the period 1960 to 1970 was not demonstrated, although the county's employment structure appeared to have potential. Therefore, the designation is Type II.
- Satisfy the percent change in population criterion only. In this case, the county demonstrated population growth in the period 1960 to 1970, in spite of the fact that employment growth did not previously occur.

Areas that did not meet the conditions outlined for selection as Type I or Type II growth centers were classified as Type III.

F. THE INFLUENCE OF SMSA's

The location of the counties selected by the above procedure with respect to Standard Metropolitan Statistical Areas (SMSA's) was considered. When selected counties were

contiguous to SMSA's, the central city^{1/} of the SMSA was designated as the growth center, unless the RA county or counties were contiguous to the selected county and not contiguous to the SMSA. This was done because of the dominance of the SMSA in the area's labor market.

In most cases, counties contiguous to SMSA's are primarily bedroom communities and therefore provide less returns for EDA investment than the SMSA. However, when the RA county or counties were contiguous only to the selected county and not to the SMSA, the selected county was chosen as possibly containing a growth center. In this case, nearness to the RA county or counties was considered more important than the dominance of the SMSA.

G. COMMUTING DISTANCE FROM RA COUNTIES

EDA's legislation states that a growth center must be "geographically and economically so related to the district that its economic growth may reasonably be expected to contribute significantly to the alleviation of distress in the redevelopment areas of the district." On the basis of this requirement, a county was classified as Type III unless:

- . it bordered on at least one redevelopment area; and
- . the county line of one or more of the contiguous redevelopment areas was no more than 30 minutes commuting time from the largest place within the selected county.

Commuting surveys have shown that 95 percent of all workers commute less than one hour to their place of work from their place of residence. The 30-minute time restriction to the county line insures that the majority of persons in the contiguous RA county or counties are within one-hour commuting distance of the center.

V. DESIGNATION OF GROWTH CENTERS

The largest place within each selected county was designated as the growth center.

^{1/} If under 250,000 population.

PART THREE - SUMMARY

The first step in the National Assessment consisted of modifying designated districts to include counties that were linked to the districts by trade and commuting patterns. The boundaries of OBE Economic Areas and Rand-McNally Trade Areas formed the basis for this effort. When the modification procedure had been applied to all designated districts, the modified districts were grouped into 13 relatively homogeneous regions. The regions were delineated on the basis of Bogue and Beale's "economic regions,"^{1/} major topographical characteristics, and Regional Commission boundaries.

Following the delineation of regions, a modified shift-share analysis was employed to isolate those counties in each region with dissimilar employment structures or dissimilar changes in those structures. The types of counties identified through this analysis were:

- . counties that were more depressed than others within their regions;
- . counties with extremely specialized economies, such as recreation, mining, retirement; and
- . counties that appeared to reflect potential for significant further growth and employment growth impact on surrounding areas.

Five criteria were applied to differentiate between counties in the last group:

- . employment growth in key sectors between 1950 and 1960;
- . ratio of non-basic employment to total employment in 1960 and ratio of manufacturing employment to total employment in the same year;
- . population growth between 1960 and 1970;
- . location with respect to Standard Metropolitan Statistical Areas; and
- . proximity to EDA-designated redevelopment areas

On the basis of these criteria, counties were categorized as Type I, Type II, or Type III centers.

^{1/} Bogue and Beale, p. XLIV.

Type I centers exhibit a high growth potential and their growth can be expected to improve conditions in nearby redevelopment areas. To be identified as a Type I center:

- . a county's manufacturing and non-basic employment ratios had to equal the same ratios for the region;
- . a county's percent change in population had to exceed that for the entire region; and
- . a county had to be contiguous to a redevelopment area that did not border on an SMSA and be within 30 minutes commuting time from the largest community in that RA.

Type II centers are less likely to grow and affect surrounding distressed areas than are Type I centers, but the possibility that they will do so could not be rejected on the basis of the data examined. Counties classified as Type II centers were contiguous to a redevelopment area that did not border on an SMSA and were within 30 minutes commuting time from the largest community in that RA. In addition, a Type II center had to satisfy one of two conditions:

- . its percent change in population had to exceed that for the region; or
- . its employment growth rate had to exceed that for the region and its manufacturing and non-basic employment ratios had to at least equal the corresponding regional values.

Counties that did not meet the above criteria were judged to offer little potential for growth, or impact on redevelopment areas. These were classified as Type III centers.

APPENDIX C

DETAILED FINDINGS OF NATIONAL ASSESSMENT

This appendix presents the detailed findings of the National Assessment by region and county. It also explains the criteria used to identify Type I, Type II, and Type III Centers. The following data are given in Tables C.1 through C.13 for each county:

- . percent change in employment in seven major sectors between 1950 and 1960;
- . ratio of non-basic employment to total employment in 1960;
- . ratio of manufacturing employment to total employment in 1960; and
- . percent change in population between 1960 and 1970.

In addition, the population of the city or town designated as the growth center is provided.

The underlined figures in the tables were the deciding factors in determining a county's ranking (Type I, Type II, or Type III). Distance from redevelopment areas was also considered in determining a county's ranking.

Table C.14 provides data on the criteria used to determine a center's ranking.

TABLE C. 1
NEW ENGLAND REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Fall River (Bristol), Mass.	96,898	<u>4.6%</u>	<u>.44</u>	.51	11.5%
Taunton (Bristol), Mass.	43,756	<u>4.6%</u>	<u>.44</u>	.51	11.5%
Rome-Utica (Oneida), N.Y.	141,759	16.7%	.60	.32	<u>2.9%</u>
<u>TYPE III</u>					
Amsterdam (Montgo- mery), N.Y.	25,524	<u>-14.2%</u>	<u>.45</u>	.45	<u>-2.4%</u>
Bangor- Brewer (Penob- scot), Me.	42,468	26.4%	.54	<u>.28</u>	<u>-0.8%</u>
Newport (Orleans), Vt.	4,664	16.2%	<u>.46</u>	<u>.22</u>	<u>0.0%</u>
St. Johns- bury-Lyndon (Cale- donia), Vt.	12,144	<u>2.3%</u>	.54	<u>.25</u>	<u>0.0%</u>

TABLE C. 1 (CONT.)

NEW ENGLAND REGION

REDEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Glens Falls (Warren), N.Y.	17,223	14.0%	.66	<u>.30</u>	12.3%
New Bedford (Bristol), Mass.	101,771	<u>4.6%</u>	<u>.44</u>	.51	11.5%
<u>TYPE III</u>					
Berlin (Coos), N.H.	15,256	<u>9.8%</u>	<u>.47</u>	.46	<u>-7.7%</u>
Masenna (St. Law- rence), N.Y.	14,042	17.0%	.59	<u>.22</u>	<u>0.7%</u>
Ogdens- burg (St. Lawrence), N.Y.	14,552	17.0%	.59	<u>.22</u>	<u>0.7%</u>
Plattsburg (Clinton), N.Y.	18,715	30.6%	<u>.52</u>	<u>.15</u>	<u>0.3%</u>
St. Albans (Franklin), Vt.	3,270	<u>3.6%</u>	<u>.45</u>	<u>.20</u>	<u>6.1%</u>
Watertown (Jefferson), N.Y.	30,787	<u>9.4%</u>	<u>.59</u>	<u>.24</u>	<u>0.8%</u>

TABLE C. 1 (CONT.)

NEW ENGLAND REGION

ADDITIONAL GROWTH CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Burlington (Chittendon), Vt.	38,633	19.6%	.68	<u>.20</u>	33.2%
<u>OVER 250,000</u>					
Boston, Mass.	628,215	20.9%	.60	.33	<u>5.2%</u>

TABLE C. 2
DELMARVA REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULATION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Dover (Kent), Del.	17,488	49.0%	.46	<u>.17</u>	24.7%
Salisbury (Wicomico), Md.	15,252	31.4%	.58	<u>.28</u>	10.6%
<u>TYPE III</u>					
None					

TABLE C. 3
TERRE HAUTE REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULATION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Terre Haute (Vigo), Ind.	70,286	<u>4.0%</u>	.61	.27	5.6%
<u>TYPE II</u>					
None					
<u>TYPE III</u>					
None					

TABLE C. 4
APPALACHIAN REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Bristol- Kingsport (Sullivan), Tenn.	52,002	27.3%	.50	.40	11.6%
Gainesville (Hall), Ga.	15,459	38.6%	.50	.38	19.4%
Knoxville (Knox), Tenn.	174,587	20.7%	.65	.32	10.3%
Marietta (Washing- ton), Ohio	16,861	36.6%	.58	.30	10.6%
Martinsburg- Charlestown (Berkeley, Jefferson), W. Va.	17,649	<u>13.4%</u>	.50	.32	9.9%
McMinnville (Warren), Tenn.	10,662	33.1%	.45	.32	16.8%
Morristown (Hamblen), Tenn.	20,318	68.6%	.47	.41	16.9%
Toccoa (Stephans), Ga.	6,971	25.4%	.48	.46	10.5%

TABLE C. 4 (CONT.)
APPALACHIAN REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Athens (Athens), Ohio	23,310	46.2%	.72	<u>.16</u>	16.8%
Campbells- ville (Taylor), Ky.	7,598	<u>-12.4%</u>	.53	<u>.13</u>	5.2%
Cookeville (Putnam), Tenn.	14,270	40.3%	.55	<u>.28</u>	21.4%
Crossville (Cumber- land), Tenn.	5,381	36.1%	.49	<u>.23</u>	8.4%
Johnson City (Washing- ton), Tenn.	33,770	<u>17.6%</u>	.59	<u>.26</u>	14.0%
<u>TYPE III</u>					
Ashland (Boyd), Ky.	29,245	<u>14.7%</u>	.55	.36	<u>0.4%</u>
Alcoa- Maryville (Blount), Tenn.	63,744	<u>18.4%</u>	.53	.37	10.8%
Chilli- cothe (Ross), Ohio	24,842	19.5%	.54	<u>.31</u>	<u>0.0%</u>

TABLE C.4 (CONT.)

APPALACHIAN REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Huntingdon (Hunting- don), Pa.	6,871	<u>14.1%</u>	.51	.31	<u>-0.9%</u>
Johnstown (Cambria), Pa.	42,065	<u>10.9%</u>	.48	.37	<u>-8.1%</u>
Martin's Ferry-Bell- aire (Belmont), Ohio	80,917	<u>6.4%</u>	.52	<u>.29</u>	<u>-3.5%</u>
Magisteri- al Dis- tricts of Powell & Taylor (Scott), Va.	5,492	19.8%	<u>.39</u>	<u>.26</u>	<u>-5.6%</u>
Oak Ridge (Anderson, Roane), Tenn.	28,319	<u>8.5%</u>	.48	.45	<u>0.0%</u>
Portsmouth (Scioto), Ohio	27,633	<u>4.1%</u>	.52	.37	<u>-8.6%</u>
Somerset (Pulaski), Ky.	10,436	<u>17.7%</u>	.47	<u>.17</u>	<u>2.4%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					

TABLE C.4 (CONT.)

APPALACHIAN REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Somerset (Somerset), Pa.	6,163	34.1%	.54	.24	<u>-1.8%</u>
<u>TYPE III</u>					
Hazard (Perry), Ky.	5,459	<u>11.8%</u>	.56	<u>.05</u>	<u>-26.4%</u>
Pikesville (Pike), Ky.	4,576	<u>13.4%</u>	.49	<u>.06</u>	<u>-10.6%</u>
Prestonburg- Paintsville (Floyd- Johnson), Ky.	7,290	<u>10.5%</u>	.48	<u>.03</u>	<u>-12.9%</u>
Bedford (Bedford), Pa.	3,160	25.3%	.52	<u>.21</u>	<u>-0.2%</u>
Lebanon (Russell), Va.	2,272	68.4%	<u>.37</u>	<u>.07</u>	<u>-6.7%</u>
Richlands (Tazewell), Va.	4,843	29.5%	.51	<u>.12</u>	<u>-11.1%</u>
Beckley (Raleigh), W.Va.	19,884	<u>11.8%</u>	.59	<u>.10</u>	<u>-10.0%</u>
Bluefield- Princeton (Mercer), W.Va.	23,174	<u>3.8%</u>	.64	<u>.13</u>	<u>-7.3%</u>

TABLE C.4 (CONT.)

APPALACHIAN REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Keyser (Mineral), W.Va.	6,586	<u>15.5%</u>	<u>.40</u>	<u>.30</u>	<u>3.4%</u>
Moorefield (Hardy), W.Va.	2,124	<u>22.1%</u>	<u>.44</u>	<u>.23</u>	<u>4.9%</u>
Williamson (Mingo), W.Va.	5,831	<u>-5.1%</u>	.51	<u>.06</u>	<u>-17.5%</u>
ADDITIONAL GROWTH CENTERS					
<u>TYPE I</u>					
Chattanooga (Hamilton), Tenn.	119,082	<u>13.1%</u>	.61	.33	6.9%
<u>OVER 250,000</u>					
Cincinnati Ohio	452,524	<u>15.1%</u>	.59	.36	19.0%

TABLE C. 5
OZARKS REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Conway (Faulkner), Ark.	15,510	49.9%	.60	.21	29.9%
Fayetteville- Springdale (Wash.), Ark.	47,512	46.3%	.62	.19	38.7%
Fort Smith- Van Buren (Sebastian), Ark.	71,175	<u>15.1%</u>	.67	.25	18.8%
Harrison (Boone), Ark.	7,239	33.8%	.60	.22	18.3%
Little Rock- N. Little Rock (Pulaski), Ark.	192,523	23.9%	.70	.17	18.2%
Russellville- Dardanelle (Pope, Yell), Ark.	15,047	34.0%	.57	.26	29.3%
Springfield (Greene), Mo.	120,096	35.0%	.66	.22	21.1%
<u>TYPE II</u>					
Hot Springs (Garland), Ark.	35,631	<u>-3.5%</u>	.78	<u>.15</u>	15.9%
Mena (Polk), Ark.	4,530	<u>18.0%</u>	<u>.47</u>	.38	11.0%

TABLE C. 5 (CONT.)

OZARKS REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Mountain Home (Baxter), Ark.	3,936	<u>-16.1%</u>	.67	<u>.10</u>	54.1%
Claremore (Rogers), Okla.	9,084	40.0%	.62	<u>.15</u>	37.9%
Ducan (Stephans), Okla.	19,718	48.6%	.56	.21	<u>-5.5%</u>
Sapulpa- Bristow (Creek), Okla.	19,812	<u>15.2%</u>	.57	<u>.22</u>	12.4%
Stillwater (Payne), Okla.	31,126	<u>3.3%</u>	.75	<u>.09</u>	14.5%
<u>TYPE III</u>					
El Dorado (Union), Ark.	25,283	<u>6.5%</u>	.59	.27	<u>-8.3%</u>
Newport (Jackson), Ark.	7,725	<u>14.7%</u>	<u>.51</u>	<u>.13</u>	<u>-10.5%</u>
Texarkana (Miller), Ark.	21,682	<u>9.3%</u>	.69	<u>.16</u>	<u>5.4%</u>
Poplar Bluff (Butler), Mo.	16,653	<u>19.8%</u>	.63	<u>.13</u>	<u>-3.3%</u>

TABLE C. 5 (CONT.)

OZARKS REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE III</u>					
West Plains (Howell), Mo.	6,893	38.8%	<u>.53</u>	.25	<u>6.8%</u>
Ada (Pontotoc), Okla.	14,859	<u>11.2%</u>	.70	<u>.14</u>	<u>-0.8%</u>
Ardmore (Carter), Okla.	20,881	<u>18.7%</u>	.67	<u>.08</u>	<u>-4.3%</u>
Chickasha (Grady), Okla.	14,194	<u>15.1%</u>	.63	<u>.11</u>	<u>-0.8%</u>
Durant (Bryan), Okla.	11,118	<u>18.7%</u>	.65	<u>.10</u>	<u>5.4%</u>
Shawnee (Pottawa- tomie), Okla.	25,075	<u>15.0%</u>	.71	<u>.13</u>	<u>4.0%</u>
Vinita (Craig), Okla.	5,847	22.1%	.66	<u>.10</u>	<u>-9.7%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					

TABLE C. 5 (CONT.)

OZARKS REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Bates- ville (Indepen- dence), Ark.	7,209	<u>10.5%</u>	<u>.53</u>	.20	13.3%
Searcy (White), Ark.	9,040	43.7%	.56	.20	<u>-4.8%</u>
McAlester (Pittsburgh), Okla.	18,802	-1.8%	.68	<u>.13</u>	9.2%
<u>TYPE III</u>					
Brinkley (Monroe), Ark.	5,275	<u>13.0%</u>	<u>.47</u>	<u>.14</u>	<u>-9.6%</u>
Hope (Hempstead), Ark.	8,810	<u>-4.0%</u>	<u>.52</u>	.22	<u>-1.8%</u>
Malvern (Hot Spring), Ark.	8,739	<u>8.8%</u>	<u>.50</u>	.37	<u>0.3%</u>
Muskogee (Muskogee), Okla.	37,331	<u>5.0%</u>	.71	<u>.15</u>	<u>-3.8%</u>

TABLE C. 5 (CONT.)

OZARKS REGION

ADDITIONAL GROWTH CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Joplin (Jasper, Newton), Mo.	39,256	43.5%	<u>.52</u>	.28	9.3%
Lawton (Comanche), Okla.	74,470	51.0%	<u>.41</u>	<u>.03</u>	19.1%
<u>OVER 250,000</u>					
Oklahoma City (Oklahoma), Okla.	366,481	34.4%	.78	<u>.13</u>	19.9%
Tulsa (Tulsa), Okla.	331,638	36.0%	.65	.22	16.1%

TABLE C.6
TENNESSEE - GREEN VALLEY

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Jonesboro (Craighead), Ark.	27,050	34.9%	.53	.20	10.1%
Bowling Green (Warren), Ky.	36,253	31.2%	.60	.18	26.2%
<u>TYPE II</u>					
Carbondale (Jackson), Ill.	22,582	43.5%	.72	<u>.12</u>	30.5%
Elizabeth- town-Rad- cliff-Vine- grove (Hardin), Ky.	22,616	52.8%	<u>.21</u>	<u>.03</u>	15.7%
<u>TYPE III</u>					
Glasgow (Barren), Ky.	11,301	29.8%	.50	<u>.13</u>	<u>1.3%</u>
Hopkins- ville (Chris- tian), Ky.	21,250	30.6%	<u>.36</u>	<u>.08</u>	<u>-1.2%</u>
Madison- ville (Hopkins), Ky.	15,332	31.8%	.53	<u>.09</u>	<u>-0.8%</u>

TABLE C. 6 (CONT.)
TENNESSEE - GREEN VALLEY

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Dexter-Bloom- field (Stoddard), Mo.	7,608	<u>21.2%</u>	<u>.42</u>	.20	<u>-12.6%</u>
Sikeston (Scott), Mo.	14,699	<u>6.7%</u>	.52	.24	<u>1.5%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
None					
<u>TYPE III</u>					
Forrest City (St. Francis), Ark.	12,521	26.0%	<u>.48</u>	<u>.11</u>	<u>-7.5%</u>
Harrisburg (Saline), Ill.	9,461	<u>-6.4%</u>	.62	<u>.11</u>	<u>-1.9%</u>
Batesville (Panola), Miss.	3,796	39.4%	<u>.42</u>	<u>.12</u>	<u>-6.8%</u>
Clarksdale (Coahoma), Miss.	21,673	<u>12.9%</u>	.50	<u>.10</u>	<u>-12.5%</u>

TABLE C. 6 (CONT.)
TENNESSEE - GREEN VALLEY

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
New Madrid (New Madrid), Mo.	2,719	<u>-0.3%</u>	<u>.41</u>	<u>.09</u>	<u>-25.3%</u>
ADDITIONAL GROWTH CENTERS					
<u>TYPE I</u>					
Murray (Calloway), Ky.	13,537	40.5%	.61	.19	32.0%
Lexington (Fayette), Ky.	108,137	23.4%	.51	.28	32.2%
Owensboro (Davies), Ky.	50,329	35.3%	.54	.31	12.6%
Corinth (Alcorn), Miss.	11,581	23.5%	.51	.27	7.5%
Jackson (Madison), Tenn.	39,996	<u>11.3%</u>	.61	.19	8.4%
Union City (Obion), Tenn.	11,925	23.8%	.53	.22	11.1%
Cape Girardeau (Cape Girardeau), Mo.	31,282	<u>17.2%</u>	.59	.24	17.4%

TABLE C. 6 (CONT.)
TENNESSEE - GREEN VALLEY

ADDITIONAL GROWTH CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Paducah (McCracken), Ky.	31,627	23.4%	.62	.24	<u>1.7%</u>
Clarksville (Montgo- mery), Tenn.	31,719	32.2%	<u>.42</u>	<u>.12</u>	12.7%
<u>OVER 250,000</u>					
Louisville, Ky.	361,472	<u>16.2%</u>	.60	.32	13.8%
Memphis, Tenn.	623,530	<u>21.6%</u>	.67	.24	15.2%
Nashville, Tenn.	447,877	24.2%	.70	.23	12.0%

TABLE C. 7
GREAT LAKES REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Bay City- Midland- Saginaw (Bay, Mid- land, Saginaw), Mich.	174,369	27.5%	.50	.43	14.8%
<u>TYPE II</u>					
Tawas City- East Tawas (Iosco), Mich.	3,950	43.9%	.54	<u>.14</u>	50.9%
<u>TYPE III</u>					
Ontonagon- White Pine (Ontonagon), Mich.	2,402	<u>-2.7%</u>	<u>.43</u>	<u>.15</u>	<u>-0.3%</u>
Duluth (St. Louis), Minn.	100,578	<u>-0.9%</u>	.59	<u>.13</u>	<u>-4.7%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Alpena (Alpena), Mich.	13,661	54.8%	.52	.39	<u>7.5%</u>

TABLE C. 7 (CONT.)

GREAT LAKES REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Marquette- Negaunee- Ispeming (Marquette), Mich.	34,854	<u>10.4%</u>	.53	<u>.13</u>	15.2%
Traverse City (Grand Traverse), Mich.	17,687	25.4	.70	<u>.19</u>	17.0%
<u>TYPE III</u>					
Escanaba- Gladstone (Delta), Mich.	20,413	<u>18.9%</u>	.54	.28	<u>4.7%</u>
Houghton (Houghton), Mich.	6,052	<u>-3.1%</u>	.63	<u>.12</u>	<u>-2.8%</u>
Iron Mount- ain-Kings- ford-Norway (Dickinson), Mich.	16,862	<u>5.1%</u>	.62	.28	<u>-0.7%</u>
Iron River (Iron), Mich.	2,667	<u>4.9%</u>	.53	<u>.06</u>	<u>-19.6%</u>
Ironwood- Bessemer Wakefield (Gogebic), Mich.	13,814	<u>-11.0%</u>	.52	<u>.15</u>	<u>-15.2%</u>
Newberry (Luce), Mich.	2,330	<u>12.0%</u>	.85	<u>.12</u>	<u>-13.3%</u>

TABLE C. 7 (CONT.)

GREAT LAKES REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
St. Ignace (Mackinac), Mich.	2,889	25.2%	.72	<u>.08</u>	<u>-11.0%</u>
Sault-Ste. Marie (Chippewa), Mich.	14,812	<u>-3.9%</u>	.59	<u>.09</u>	<u>-0.7%</u>
ADDITIONAL GROWTH CENTERS					
<u>TYPE I</u>					
Grand Rapids (Kent), Mich.	195,892	<u>18.9%</u>	.56	.37	13.2%
Grayling (Crawford), Mich.	2,092	54.2%	.69	.26	30.4%
<u>TYPE II</u>					
St. Cloud (Stearns), Minn.	36,691	31.6%	.55	<u>.18</u>	18.7%
Mt. Pleasant (Isabella), Mich.	19,961	79.1%	.64	<u>.19</u>	26.2%
<u>OVER 250,000</u>					
Minneapolis- St. Paul, Minn.	744,380	<u>21.9%</u>	.68	.26	21.8%

TABLE C. 8
COASTAL PLAINS REGION
ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Dothan (Dale, Houston), Ala.	36,733	40.5%	.60	.20	33.9%
Athens (Clarke), Ga.	44,342	29.6%	.70	.22	43.7%
Brunswick (Glynn), Ga.	19,585	44.9%	.59	.25	20.4%
Carrollton (Carroll), Ga.	13,520	29.3%	.47	.41	24.6%
Wilmington (New Han- over, Brunswick), N. C.	46,169	48.5%	.50	.22	16.5%
Aiken-N. Augusta, (Aiken), S. C.	26,319	74.1%	.48	.40	12.3%
Greenwood (Greenwood), S. C.	21,069	<u>7.1%</u>	.48	.46	12.0%
<u>TYPE II</u>					
Panama City (Bay), Fla.	32,096	49.3%	.59	<u>.11</u>	12.1%

TABLE C. 8 (CONT.)
COASTAL PLAINS REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Albany (Dougherty), Ga.	72,623	53.9%	.62	<u>.13</u>	18.4%
Augusta (Richmond), Ga.	59,864	<u>8.7%</u>	.54	<u>.17</u>	19.8%
Dublin- East Dublin, (Laurens), Ga.	17,129	41.5%	.57	.23	<u>1.3%</u>
Hinesville (Liberty), Ga.	4,115	38.6%	<u>.38</u>	<u>.13</u>	21.3%
Milledge- ville, (Baldwin), Ga.	11,601	34.7%	.74	.20	<u>0.5%</u>
Tifton (Tift), Ga.	12,179	<u>24.8%</u>	.58	<u>.16</u>	16.2%
Valdosta (Lowndes), Ga.	32,303	47.0%	.55	.20	<u>11.9%</u>
Waycross (Ware), Ga.	18,996	30.9%	.55	.20	<u>-2.0%</u>
Fayette- ville (Cumber- land), N. C.	53,510	41.1%	<u>.38</u>	<u>.07</u>	<u>42.9%</u>

TABLE C.8 (CONT.)
COASTAL PLAINS REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Kinston (Lenoir), N. C.	22,309	41.9%	.58	.20	<u>-0.1%</u>
Florence- Darlington (Florence- Darlington), S. C.	32,987	35.4%	.54	.20	<u>4.1%</u>
<u>TYPE III</u>					
Montgomery (Montgo- mery), Ala.	133,386	<u>18.6%</u>	.70	<u>.12</u>	<u>0.0%</u>
Marianna (Jackson), Fla.	6,741	47.5%	.65	<u>.11</u>	<u>-4.9%</u>
Americus (Sumter), Ga.	16,091	<u>19.9%</u>	.57	.21	<u>9.2%</u>
Bainbridge (Decatur), Ga.	10,887	<u>25.4%</u>	.49	<u>.17</u>	<u>-11.5%</u>
La Grange (Troup), Ga.	23,301	<u>-7.8%</u>	.47	.47	<u>-5.8%</u>
Columbus (Muscogee), Ga.	154,168	<u>13.8%</u>	.50	<u>.18</u>	<u>5.5%</u>
Swainsboro (Emanuel), Ga.	7,325	46.8%	<u>.44</u>	.24	<u>2.1%</u>

TABLE C.8 (CONT.)
COASTAL PLAINS REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE III</u>					
Goldsboro (Wayne), N. C.	26,810	31.4%	.51	<u>.12</u>	<u>4.1%</u>
Newbern (Craven), N. C.	14,660	<u>24.4%</u>	<u>.44</u>	<u>.12</u>	<u>6.4%</u>
Washington (Beaufort), N. C.	8,961	<u>10.2%</u>	.53	<u>.16</u>	<u>-0.1%</u>
Williamston (Martin), N. C.	6,570	<u>27.5%</u>	<u>.45</u>	<u>.14</u>	<u>-8.9%</u>
REDEVELOPMENT CENTERS					
<u>TYPE III</u>					
Greenville (Butler), Ala.	8,033	<u>7.3%</u>	.49	.30	<u>-10.4%</u>
Troy (Pike), Ala.	11,482	<u>23.2%</u>	.58	<u>.13</u>	<u>-3.7%</u>
Greenville (Pitt), N. C.	29,063	<u>6.2%</u>	.47	<u>.17</u>	<u>5.7%</u>
Orangeburg (Orange- burg), S. C.	13,252	<u>47.5%</u>	.52	.20	<u>1.8%</u>

TABLE C.8 (CONT.)
COASTAL PLAINS REGION

ADDITIONAL GROWTH CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Charleston (Charles- ton, Berkeley), S. C.	66,945	56.4%	.46	.30	19.4%
<u>TYPE II</u>					
Gaines- ville (Alachua), Fla.	64,510	58.9%	.80	<u>.09</u>	41.4%
Columbia (Richland), S. C.	133,542	<u>22.3%</u>	.61	<u>.09</u>	16.9%
Jackson- ville (Onslow), N. C.	16,021	90.6%	<u>.24</u>	<u>.01</u>	19.6%
Tallahas- see (Leon), Fla.	71,897	57.4%	.86	<u>.07</u>	38.8%
Pensacola (Escambia), Fla.	59,507	70.2%	.64	<u>.18</u>	18.1%
<u>OVER 250,000</u>					
Atlanta, Ga.	496,973	37.9%	.68	.20	36.6%

TABLE C.9
SOUTH CENTRAL REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Baton Rouge (E. Baton Rouge), La.	165,963	43.2%	.75	.21	24.0%
Nacog- doches- Lufkin- Diboll (Nacog- doches, Ange- lena), Tex.	69,147	<u>13.1%</u>	.59	.21	26.3%
<u>TYPE II</u>					
Pine Bluff- Sheridan (Jefferson), Ark.	59,869	36.5%	.59	.22	<u>4.9%</u>
Jackson (Hinds), Miss.	153,968	36.3%	.76	<u>.15</u>	14.9%
Pascagoula (Jackson), Miss.	27,264	112.8%	<u>.50</u>	.41	58.5%
Bryan- College Station (Brazos), Tex.	49,672	34.5%	.79	<u>.08</u>	29.1%

TABLE C. 9 (CONT.)
SOUTH CENTRAL REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Killeen- Temple (Bell), Tex.	32,645	36.2%	<u>.44</u>	<u>.07</u>	32.3%
Lafayette- New Iberia (Lafayette), La.	99,055	69.8%	.70	<u>.08</u>	29.6%
Monroe-West Monroe (Ouachita), La.	71,242	31.5%	.75	<u>.17</u>	13.5%
<u>TYPE III</u>					
Shreveport- Bossier City (Caddo, Bossier) La.	223,659	30.8%	.75	<u>.12</u>	<u>4.4%</u>
Hattiesburg (Forrest), Miss.	38,277	<u>25.9%</u>	.73	.18	<u>9.7%</u>
Grenada (Grenada), Miss.	9,944	<u>28.7%</u>	<u>.58</u>	.24	<u>7.8%</u>
Meridian (Lauder- dale), Miss.	45,083	10.8%	.71	<u>.18</u>	<u>0.0%</u>

TABLE C.9 (CONT.)
SOUTH CENTRAL REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE III</u>					
Natchez (Adams), Miss.	19,704	<u>9.9%</u>	.66	.23	<u>-1.2%</u>
Vicksburg (Warren), Miss.	25,478	<u>8.4%</u>	.69	.19	<u>6.6%</u>
Texarkana (Miller), Tex.	29,393	<u>1.9%</u>	.65	.22	<u>10.5%</u>
Waco (McLennan), Tex.	92,600	<u>20.3%</u>	.67	<u>.18</u>	<u>-1.7%</u>
Crossett- Hamburg, (Ashley), Ark.	9,293	<u>15.8%</u>	<u>.40</u>	.39	<u>3.1%</u>
Forest (Scott), Miss.	4,085	30.8%	<u>.44</u>	.21	<u>0.9%</u>
McComb (Pike), Miss.	11,969	<u>17.5%</u>	.57	.22	<u>-9.4%</u>
Marshall (Harrison), Tex.	22,666	12.9%	.61	.26	<u>-1.7%</u>
Northeast Texas Municipal Water Dis- trict (Cont)					

TABLE C.9 (CONT.)
SOUTH CENTRAL REGION

ECONOMIC DEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE III</u>					
(Cass, Camp, Morris, Upshaw), Tex.	63,222	<u>9.3%</u>	.59	.23	<u>5.6%</u>
Sulphur Springs (Hopkins), Tex.	10,447	<u>13.8%</u>	.55	<u>.15</u>	<u>11.4%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
None					
<u>TYPE III</u>					
Alexandria- Pineville (Rapids), La.	50,508	<u>26.5%</u>	.70	<u>.10</u>	<u>6.0%</u>
Natchi- toches (Natchi- toches), La.	15,974	35.1%	.68	<u>.10</u>	<u>-1.2%</u>
Opelousas (St. Lan- dry), La.	20,121	34.6%	.59	<u>.05</u>	<u>-1.4%</u>

TABLE C.9 (CONT.)

SOUTH CENTRAL REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Cleveland (Boliva), Miss.	13,327	<u>25.5%</u>	<u>.44</u>	<u>.08</u>	<u>-9.3%</u>
Greenville (Washington) Miss.	39,648	38.6%	.56	<u>.15</u>	<u>-10.2%</u>
Greenwood (LeFlore), Miss.	22,400	<u>11.2%</u>	.58	<u>.07</u>	<u>-10.7%</u>
Jefferson (Marion), Tex.	2,703	<u>-11.3%</u>	.59	.21	<u>5.8%</u>
ADDITIONAL GROWTH CENTERS					
<u>TYPE II</u>					
Beaumont- Port Arthur- Orange (Orange, Jefferson), Tex.	196,383	49.5%	.55	.33	<u>17.9%</u>
Columbus (Lowndes), Miss.	25,795	41.0%	.54	.20	<u>6.6%</u>
<u>TYPE I</u>					
Tupelo (Lee), Miss.	20,471	54.6%	.53	.29	13.7%
Sherman (Grayson), Tex.	28,352	<u>16.3%</u>	.58	.19	13.9%
<u>OVER 250,000</u>					
Dallas, Tex.	836,121	47.5%	.69	.23	39.5%

TABLE C. 10
NORTHWEST REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1970	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u> Lewiston (Nez Perce), Idaho	26,068	24.0%	.60	.25	12.2%
<u>TYPE II</u> None					
<u>TYPE III</u> Hardin (Big Horn), Mont.	2,733	<u>15.3%</u>	<u>.51</u>	<u>.05</u>	<u>0.5%</u>
Havre (Hill, Mont.	10,558	29.1%	.60	<u>.03</u>	<u>-6.9%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u> None					
<u>TYPE II</u> None					
<u>TYPE III</u> Butte- Anaconda (Silver Bow, Deer Lodge), Mont.	33,139	<u>-2.0%</u>	<u>.46</u>	.39	<u>-11.4%</u>
Colville (Stevens), Wash.	3,742	<u>16.2%</u>	<u>.46</u>	.20	<u>-2.7%</u>

TABLE C.10 (CONT.)

NORTHWEST REGION

ADDITIONAL GROWTH CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Coeur D'Alene (Kootenai), Idaho	16,228	26.5%	.61	.26	19.5%
Billings (Yellowstone), Mont.	61,581	46.9%	.70	.13	10.6%
Missoula (Missoula), Mont.	29,497	31.6%	.69	.16	30.5%
<u>TYPE II</u>					
Boise (Ada), Idaho	74,990	38.3%	.78	<u>.10</u>	20.1%
Bozeman (Gallatin), Mont.	18,670	32.7%	.70	<u>.09</u>	24.8%

TABLE C.11
FAR WEST REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
None					
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Grass Valley- Auburn (Nevada, Placer), Calif.	11,615	45.0%	.70	<u>.15</u>	33.0%
South Lake Tahoe (El Dora- do), Calif.	11,998	118.6%	.72	<u>.18</u>	49.1%
<u>TYPE III</u>					
None					
ADDITIONAL GROWTH CENTERS					
<u>TYPE I</u>					
Medford (Jackson), Ore.	28,454	33.1%	.64	.23	27.8%

TABLE C.11 (CONT.)

FAR WEST REGION

ADDITIONAL GROWTH CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE II</u>					
Takoma (Pierce), Wash.	154,581	<u>21.5%</u>	<u>.54</u>	<u>.18</u>	27.8%
Redding (Shasta), Calif.	16,365	67.4%	.69	<u>.19</u>	30.6%
<u>OVER 250,000</u>					
Portland, Ore.	382,619	42.8%	.62	.23	20.9%
Sacramento, Calif.	257,860	87.4%	.71	<u>.16</u>	25.6%
Seattle, Wash.	530,831	32.9%	.63	.28	23.7%

TABLE C.12
SOUTHWEST REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Santa Fe (Santa Fe), N. Mex.	41,167	<u>25.0%</u>	.89	<u>.06</u>	19.5%
<u>TYPE III</u>					
Alamosa (Alamosa), Colo.	6,985	<u>10.0%</u>	.72	<u>.06</u>	<u>14.2%</u>
Pueblo (Pueblo), Colo.	97,453	<u>29.6%</u>	<u>.56</u>	.34	<u>-0.4%</u>
Trinidad (Las Animas), Colo.	9,901	<u>-15.4%</u>	<u>.57</u>	<u>.04</u>	<u>-21.2%</u>
Delta City (Millard), Utah	1,610	<u>16.7%</u>	<u>.53</u>	<u>.03</u>	<u>-11.2%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
None					

TABLE C.12 (CONT.)

SOUTHWEST REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE III</u>					
Las Vegas (San Miguel), N. Mex.	7,528	<u>19.4%</u>	.75	<u>.05</u>	<u>-6.5%</u>
Moab (Grand), Utah	4,793	196.6%	<u>.43</u>	<u>.03</u>	<u>5.4%</u>
Price (Carbon), Utah	6,213	<u>16.5%</u>	<u>.52</u>	<u>.03</u>	<u>-26.0%</u>
Richfield (Sevier), Utah	4,471	<u>9.7%</u>	.59	.15	<u>-4.4%</u>
ADDITIONAL GROWTH CENTERS					
<u>TYPE I</u>					
Provo- Orem (Utah), Utah	78,860	49.8%	.63	.27	28.8%
Salt Lake City (Salt Lake), Utah	175,885	43.2%	.70	.17	19.7%
<u>TYPE II</u>					
Albuquerque (Berna- lillo), N. Mex.	243,751	93.7%	.77	<u>.09</u>	20.4%

TABLE C.12 (CONT.)

SOUTHWEST REGION

ADDITIONAL GROWTH CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Colorado Springs (El Paso), Colo. <u>TYPE III</u> None	135,060	78.2%	.62	<u>.07</u>	64.2%

TABLE C.13
RIO GRANDE REGION

ECONOMIC DEVELOPMENT CENTERS

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
<u>TYPE I</u>					
Victoria (Victoria), Tex.	39,349	54.9%	.68	.13	15.7%
<u>TYPE II</u>					
None					
<u>TYPE III</u>					
Corpus Christi - Aransas Pass (Nueces, Aransas), Tex.	207,175	30.6%	.68	.13	<u>7.8%</u>
McAllen (Hidalgo), Tex.	36,761	35.2%	.58	<u>.08</u>	<u>0.3%</u>
REDEVELOPMENT CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Del Rio (Val Verde), Tex.	20,928	39.5%	<u>.49</u>	<u>.06</u>	12.3%
Laredo (Webb), Tex.	65,491	<u>16.0%</u>	.66	<u>.06</u>	12.5%

TABLE C.13 (CONT.)

RIO GRANDE REGION

REDEVELOPMENT CENTERS (CONT.)

CENTER STATUS	CITY POPULA- TION 1970	EMPLOYMENT CHANGE 1950-60	RATIO OF NON- BASIC EMPL. TO TOTAL EMPL. 1960	RATIO OF MFG. EMPL. TO TOTAL EMPL. 1960	CHANGE IN COUNTY POPULATION 1960-70
Brownsville- Harlingen (Cameron), Tex.	85,085	<u>28.6%</u>	.60	.11	<u>-7.1%</u>
Uvalde (Uvalde), Tex.	10,403	<u>23.0%</u>	.64	<u>.08</u>	<u>-1.2%</u>
ADDITIONAL GROWTH CENTERS					
<u>TYPE I</u>					
None					
<u>TYPE II</u>					
Eagle Pass (Maverick), Tex.	15,277	38.5%	.63	<u>.07</u>	24.7%
<u>OVER 250,000</u>					
San Antonio (Bexar), Tex.	650,188	31.5%	.68	.09	20.9%

APPENDIX D

EDA MEDO'S ON THE ECONOMIC DEVELOPMENT CENTER STRATEGY

To provide a reference to past and present Agency policy statements concerning growth centers, the two Economic Development Orders (MEDO's) related to the growth center strategy are presented in this appendix. These are:

- . MEDO 1-28, "Policy on the Qualification and Delineation of Economic Development Centers," January 6, 1967; and
- . MEDO 1-28 (Revised), "Economic Development Center Strategy," March 11, 1968.

UNITED STATES OF AMERICA
DEPARTMENT OF COMMERCE

ASSISTANT SECRETARY AND DIRECTOR OF ECONOMIC DEVELOPMENT

MANUAL OF ECONOMIC DEVELOPMENT ORDERS

ECONOMIC DEVELOPMENT ORDER 1-28

SUBJECT

POLICY ON THE QUALIFICATION AND DELINEATION
OF ECONOMIC DEVELOPMENT CENTERS

REFERENCES

EFFECTIVE DATE: 1/6/67

SUPPLEMENT: _____

SUPERSEDES: _____

APPROVED

Thomas G. Harvey

Acting Assistant Secretary for Economic Development

Section

Section Title

Page

1	Purpose-----	1
2	Policy-----	2
3	Effect on Other Orders-----	2

SECTION 1. PURPOSE

The purpose of this Order is to prescribe the Economic Development Administration's policy on the qualification and delineation of Economic Development Centers.

SECTION 2. POLICY

- a. Cities or contiguous groupings of incorporated places may be designated as Economic Development Centers, as prescribed in Title IV of the Public Works and Economic Development Act, when such cities or groupings of incorporated places are determined by the Secretary of Commerce (1) to be the most likely places within Economic Development Districts to have potentials for growth that may reasonably be expected to contribute to the alleviation of economic distress of Redevelopment Areas within the district, and (2) to be necessary to carry out the economic development program of the district effectively.
- b. Determination of which city or grouping of contiguous incorporated places within a district is the most likely to have this potential for growth shall be based primarily on facts and arguments presented in the Overall Economic Development Program prepared for the district.
- c. Cities or contiguous groupings of incorporated places having a total population of more than 250,000 are not eligible for designation as Economic Development Centers.
- d. The boundaries of cities or groupings of incorporated places determined to be eligible for designation as an Economic Development Center normally will constitute the boundaries of the Center. The resulting boundary of the Economic Development Center may be expanded, however, to include an adjoining minor civil division, such as a town or a borough, when a public works project or a business development project eligible for EDA financing is proposed and approved for location in the adjoining minor civil division. Like all projects located within centers, such a project must be consistent with the District OEDP and be expected to serve district-wide needs and objectives. "Adjoining minor civil division" as used in this paragraph includes a minor civil division which may be separated from the center by only a small intervening stream or a small body of water.

SECTION 3. EFFECT ON OTHER ORDERS

This Order supersedes any other instructions which may be in conflict with its provisions.

INDEX CHANGES:Add:

Economic Development Centers, Qualification
and Delineation of

- - 1-25 -

U.S. DEPARTMENT OF COMMERCE
Economic Development Administration

MANUAL OF ECONOMIC DEVELOPMENT ORDERS
ECONOMIC DEVELOPMENT ORDER 1-28 (REVISED)

SUBJECT

ECONOMIC DEVELOPMENT CENTER STRATEGY

REFERENCES

EFFECTIVE DATE: 3/11/68

SUPPLEMENT:

SUPERSEDES: MEDO 1-28 dated
1/6/67

APPROVED


Assistant Secretary for Economic Development

<u>section</u>	<u>Section Title</u>	<u>Page</u>
1.	Purpose-----	1
2.	Policy-----	2
3.	Operating Guidelines-----	3
4.	Policy Implementation-----	5
5.	Staff Support for the Development Center Program-----	7
6.	Grant Rate for Economic Development Center Projects-----	7
7.	Redevelopment Centers-----	7
8.	Effect on Other Orders-----	7

SECTION 1. PURPOSE

The purpose of this Order is to summarize EDA's strategy concerning Economic Development Centers and Redevelopment Centers within Districts. Included in this material are statements of policy, operating guidelines, assignments of responsibilities and procedures for implementation concerning designation and project development.

SECTION 2. POLICY.01 General

- a. The need for a Development Center strategy has developed from two related problems:
 - (1) The economic waste and human suffering associated with low levels of family income and persistent unemployment in depressed areas.
 - (2) Existing rural-urban migration imbalances presently creating hardship and disorder in the nation's largest urban areas.
- b. Acceleration of growth in designated economic development centers provides a means to establish strong diversified urban economies from which direct and indirect economic benefits will accrue to redevelopment areas. Such direct and indirect economic benefits from the economic expansion of Economic Development Centers would include the following:
 - (1) Unemployed or underemployed residents of Redevelopment Areas can obtain jobs in Centers.
 - (2) Redevelopment Area unemployed and underemployed residents can use public services in designated Centers such as hospitals, educational facilities, etc.
 - (3) The spillover effect of the Center growth can produce new jobs within nearby Redevelopment Areas. This might include such activities as subassembly plants serving major producers located in the Center.

.02 Designation

It is the policy of EDA to designate as Economic Development Centers those centers of economic activity whose economic growth can reasonably be expected to alleviate the economic distress of individuals in the Redevelopment Areas participating in Economic Development Districts. More detailed criteria for center selection are contained in Section 3.01 of this MEDO.

.03 Project Development

The Agency will give primary emphasis to those projects within Economic Development Centers which will directly improve the employment opportunities of unemployed and underemployed residents of Redevelopment Areas and/or which will serve to obtain a greater availability of public services and facilities for such residents.

SECTION 3. OPERATING GUIDELINES.01 Selection of Economic Development Centersa. Legal Requirements

In accordance with the provisions of Sections 403(a)2 of Public Works and Economic Development Act, an Economic Development Center may be designated by the Secretary if the proposed Center:

- (1) Has been proposed and identified in an approved District OEDP and recommended by the State or States affected.
- (2) Is geographically and economically so related to the district that its economic growth may reasonably be expected to contribute significantly to the alleviation of distress in the redevelopment areas of the district.
- (3) Does not have a population in excess of 250,000 according to the last census.

b. Administrative Criteria

Section 403(a)(2) of the Public Works and Economic Development Act empowers the Secretary to prescribe designation regulations as he may deem appropriate. In addition to the specific requirements of the law, prospective Economic Development Centers should be locations which:

- (1) May reasonably be expected to obtain a higher growth rate than they are currently experiencing.
- (2) Have the prospect of developing a diversified economy providing a full-range of educational, health, recreational, and cultural facilities; a relatively large local market, a relatively large well-trained labor force, and other similar qualities which encourage the continuing growth of economic activity. Normally, Centers should have a population base of at least 25,000.
- (3) At the time of designation are establishing or implementing a comprehensive planning program which includes a development strategy involving the assimilation of unemployed and low-income residents of Redevelopment Areas into the growing economy of the Center.
- (4) Are within an ED District but not within a Redevelopment Area of the District.

.02 Number of Economic Development Centers per District

Normally, EDA will designate the single leading growth point in a District as the Economic Development Center. However, additional Centers may be designated if unusual conditions exist in the District. Among such circumstances are the following conditions:

- (1) The District contains parts of two or more States.
- (2) The District contains a relatively large number of counties with the result that a substantial number of residents do not have commuting access to any one Center.
- (3) The District contains several smaller growth points rather than one leading Center.

.03 Boundaries of Economic Development Centers

Normally an Economic Development Center is administratively defined as a city or grouping of contiguous incorporated places. The boundaries of these communities are usually the boundaries of the Center. However, in the case of a District where prime development project sites exist in close proximity to the designated community, EDA may extend the Center's boundaries to include an adjoining minor civil division such as a town or borough. In the case of Districts with multiple Centers in reasonably close proximity consideration will be given to boundary adjustments to include corridors of growth between such Centers.

.04 Priority Rating of Centers

Districts will be ranked in order of the magnitude of their economic distress as measured by high unemployment rates and low levels of median family income. For investment purposes, Centers will receive the same rank ordering as the District in which they are located.

.05 Consideration of Project Proposals

Project proposals will receive consideration only when the Economic Development Center, in cooperation with the District organization, is prepared to outline to EDA a positive action program detailing the steps the Center is willing to take to insure that the unemployed and underemployed from Redevelopment Areas benefit from the Center's growth.

.06 Project Priorities

- a. Priority will be given to projects which create employment opportunities for the unemployed and underemployed in the District's Redevelopment Areas.

- b. Consideration may also be given to projects which materially improve environmental facilities of a designated Center where such facilities are determined to be an essential factor in accelerating the Center growth.

SECTION 4. POLICY IMPLEMENTATION

.01 General Approach

Implementing the policies described above will require the efforts of all elements of EDA. Future District OEDP's will include a strategy relating the growth of Economic Development Centers to the improvement of conditions in nearby Redevelopment Areas. In the preparation of District Action plans, a profile of all growth centers will be developed. At the time of the pre-application conference for all Center projects, the community will be required to prepare a specific program showing how they propose to increase opportunities for the target population. This program will accompany their project application and will be considered in EDA's evaluation of the project proposal.

.02 Assignment of Responsibility for Policy Implementation

a. Analysis of Center Plans and Programs

The District organizations will be responsible for the assessment of the plans and programs of Development Centers. This assessment shall be embodied in the District OEDP and include sufficient detail to allow EDA to make judgements with respect to Center designation and project selection. The District organization will be asked to comment on specific Center proposals.

b. EDA Planning Review Responsibility

The Deputy Assistant Secretary for Economic Development Planning will have responsibility for:

- (1) Review of the District OEDP and proposed Center plans and programs.
- (2) Coordination of the preparation of District Action Plans and Center profiles.

- (3) Recommendation of all District and Center designations.
- (4) Preparation of a rank ordering of Districts in terms of economic distress.

c. Project Development and Selection

The Area Director, through his field organization and program staffs, will have the primary responsibility for the selection and development of projects in Economic Development Centers. Procedures now in effect also apply to Center projects; for example, the Public Works procedure calls for, among other things, early information on project development and the conduct of an expanded Pre-application Conference to establish a dialogue for relating project development to the economic development process of the city.

d. Pre-application Conference

A Pre-application Conference will be held prior to the submission of a Development Center project. The purpose of this conference will be to review project proposals in the light of the positive action program proposed by the Center. The following are some of the items that should be reviewed at the Pre-application Conference.

- (1) Whether the District organization approves the project and finds it consistent with the District OEDP.
- (2) Whether the District organization and the Center leadership can give assurance that a public facility to be constructed with EDA funds will be available to low-income or unemployed residents in surrounding Redevelopment Areas.
- (3) The attitude of the Center's leadership on growth potential; the role of the Center in the District organization; the degree to which the unemployed now migrate to the Center; the availability of public facilities and specifically those that might aid the in-migration of the unemployed; and generally whether the Center is prepared to accept the culturally and economically depressed person.

- (4) Whether the proposed project would provide equal or preferential employment opportunities to the unemployed in District Redevelopment Areas.

SECTION 5. STAFF SUPPORT FOR THE DEVELOPMENT CENTER PROGRAM

To expedite the implementation of this policy, Directors of the Office of Public Works, the Office of Business Development, and the Office of Development Districts will designate staff officers to advise and assist the Area Office Directors in planning and programming of EDA's resources in Economic Development Centers.

SECTION 6. GRANT RATE FOR ECONOMIC DEVELOPMENT CENTER PROJECTS

The EDA grant rate for development facilities in Economic Development Centers shall not exceed fifty percent of the project cost.

SECTION 7. REDEVELOPMENT CENTERS

Policies established in this paper for Economic Development Centers shall be applied in the same manner to Redevelopment Centers except that the grant rate for projects shall be determined by the Redevelopment Area in which the Center is located and except for the application of the ten percent increase in amount of grant assistance that is authorized by Sections 101 and 403(a)4 of the Public Works and Economic Development Act for projects within Redevelopment Areas.

Redevelopment Centers must meet the same criteria as an Economic Development Center except that they will be within a Redevelopment Area in a District.

SECTION 8. EFFECT ON OTHER ORDERS

This Order supersedes MEDO 1-28, dated 1-6-67 and any other instructions which may be in conflict with its provisions.

APPENDIX E

COMPARATIVE DATA BASE

In order to contrast the impact of the growth center projects covered in this evaluation with the impact of similar projects in redevelopment areas, a comparative data base of RA investments was constructed. The projects in this sample are roughly as old as the growth center projects, include a similar proportion of public works and business loans, and are located in the same states. They were drawn from past EDA evaluations.

The following chart identifies the projects included in the comparative data base by project number, type, and amount of EDA investment. It also references the document containing extensive analysis of the project.

PROJECT NUMBER	PROJECT TYPE	EDA INVESTMENT	EVALUATION REFERENCE
03-1-00288	Public Works : storm sewers	\$833,000	The EDA's Public Works Program: <u>An Evaluation, U.S. Department of Commerce/EDA, July 1970.</u>
03-1-00311	Public Works : water system to industrial park	\$348,000	The EDA's Public Works Program: <u>An Evaluation, U.S. Department of Commerce/EDA, July 1970.</u>
03-1-00359	Public Works: industrial park development	\$ 58,000	An Evaluation of EDA Public Works <u>Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.</u>
04-1-00129	Public Works: water system expansion	\$ 51,000	An Evaluation of EDA Public Works <u>Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.</u>
04-1-00194	Public Works: water system	\$ 86,000	An Evaluation of EDA Public Works <u>Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.</u>
04-1-00216	Public Works: develop industrial park	\$155,000	An Evaluation of EDA Public Works <u>Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.</u>

PROJECT NUMBER	PROJECT TYPE	EDA INVESTMENT	EVALUATION REFERENCE
04-1-00321	Public Works: enlarge water and sewers	\$143,000	An Evaluation of EDA Public Works Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.
04-1-00345	Public Works: industrial access road	\$ 60,000	An Evaluation of EDA Public Works Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.
04-1-00346	Public Works: sanitary sewers	\$ 85,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.
08-2-00112	Public Works: sewage treat- ment plant	\$ 20,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.
08-2-00408	Public Works: sewer improvement/ treatment plant	\$ 10,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.

PROJECT NUMBER	PROJECT TYPE	EDA INVESTMENT	EVALUATION REFERENCE
08-1-00471	Public Works: water facility extension	\$ 22,000	An Evaluation of EDA Public Works Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.
08-1-00536	Public Works: sewage line extension	\$ 30,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.
08-1-00542	Public Works: vocational building renovation	\$ 10,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.
08-2-00559	Public Works: sewage outfall line	\$148,000	An Evaluation of EDA Public Works Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.
08-1-00563	Public Works: water lines/pump station	\$ 71,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.
08-1-00582	Public Works: water system	\$ 85,000	The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.

PROJECT NUMBER	PROJECT TYPE	EDA INVESTMENT	EVALUATION REFERENCE
08-1-00583	Public Works: water system improvement	\$ 164,000	<u>An Evaluation of EDA Public Works Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.</u>
08-2-00698	Public Works: library building and equipment	\$ 16,000	<u>An Evaluation of EDA Public Works Projects, prepared by the Boise Cascade Center for Community Development, U.S. Department of Commerce/EDA, September 1970.</u>
08-1-00729	Public Works: sanitary sewerage system	\$ 44,000	<u>The EDA's Public Works Program: An Evaluation, U.S. Department of Commerce/EDA, July 1970.</u>
01-3-00242	Business Loan: wood products	\$ 54,000	<u>An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.</u>
01-3-00286	Business Loan: paper tissue	\$4,316,000	<u>An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.</u>

PROJECT NUMBER	PROJECT TYPE	EDA INVESTMENT	EVALUATION REFERENCE
03-3-00376	Business Loan: mushroom growing	\$ 351,000	An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.
03-3-00548	Business Loan: tufted carpets	\$1,202,000	An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen, & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.
04-3-00281	Business Loan: furniture	\$ 341,000	An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.
04-3-00328	Business Loan: electronic products	\$ 104,000	An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.
04-3-00338	Business Loan: frozen fruits/ vegetables	\$3,900,000	An Evaluation of the Business Loan Program of the EDA, prepared by Booz, Allen & Hamilton, Inc., U.S. Department of Commerce/EDA, July 1970.

PROJECT NUMBER	PROJECT TYPE	EDA INVESTMENT	EVALUATION REFERENCE
04-3-00513	Business Loan: glass con- tainers	\$1,268,000	An Evaluation of the Business Loan Program of the EDA, prepared by <u>Booz, Allen & Hamilton, Inc., U.S.</u> Department of Commerce/EDA, July 1970.
04-3-00554	Business Loan: wood bed- room furniture	\$ 429,000	An Evaluation of the Business Loan Program of the EDA, prepared by <u>Booz, Allen & Hamilton, Inc., U.S.</u> Department of Commerce/EDA, July 1970.
08-3-00740	Business Loan: closet ac- cessories	\$ 449,000	An Evaluation of the Business Loan Program of the EDA, prepared by <u>Booz, Allen & Hamilton, Inc., U.S.</u> Department of Commerce/EDA, July 1970.

APPENDIX F

EMPLOYER AND EMPLOYEE QUESTIONNAIRES

This appendix presents the employer interview guides and employee questionnaires designed specifically for use in the growth center evaluation. Cleared by the Office of Management and Budget for this study, these forms were administered to employers and employees of firms benefitting from EDA growth center projects.

EDA GROWTH CENTER EVALUATION

EMPLOYER INTERVIEW GUIDE

Establishment _____

Address _____ Phone _____

Interviewer _____ Date of Interview _____

Names and Titles of Persons Interviewed (e.g., director of personnel, plant manager)

1. _____

2. _____

3. _____

Type of Establishment (major activity, product, or service) _____

Brief Description of Activity (manufacturing, construction, administrative office) _____

Date This Establishment Was Founded _____

Date This Establishment Became Operational _____

Name of Parent Company (if any) _____

1. What factors were responsible for your company's decision to locate (remain or expand) your business establishment at the present address?

2. How did you learn of these factors? _____

3. Did the EDA project contribute to this decision? _____

4. Did these sources stress the EDA project in their "sales pitch"?

_____ Yes _____ No

If yes, explain _____

5. Are there other establishments in this area engaged in the same kind of business activity as your establishment?

_____ Yes _____ No

Please explain _____

6. What is the approximate total capital investment of your establishment at this location?
(a) land _____ (b) buildings and structures _____,
(c) machines & equipment _____. (If an expansion, indicate the estimated capital investment in expanded facilities as well.)
- _____
- _____
- _____

7. Does the establishment have any expansion plans at this time?

_____ Yes _____ No

If yes, explain. _____

8. How many employees will be hired as a result of this expansion?

_____ employees

9. Estimate the total annual salaries of these new employees.

\$ _____ per year

10. Do you have a seasonal employment pattern at this establishment?

_____ Yes _____ No

If so, please describe briefly. _____

11. Employee Impact

- a. How many employees are there at this time in this facility? _____
- b. How many new employees has the EDA project enabled you to hire in this establishment? _____
- c. How many existing employees did the EDA project enable you to retain? _____
- d. Estimate the total annual salary impact attributed to the EDA project (i.e., the salaries from the employment reported in b & c) \$ _____
- e. If possible, categorize this employment by type, wage, or salary level, and length of the work year.

<u>Job Type</u>	<u>1</u>		<u>2</u>	<u>Length of</u>	<u>Estimated</u>
	<u>Number of</u>	<u>Employees</u>	<u>Wage/Salary</u>		
	<u>New</u>	<u>Saved</u>	<u>Range</u>	<u>Work Year</u>	<u>Annual Payroll</u>
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____
6.	_____	_____	_____	_____	_____
7.	_____	_____	_____	_____	_____
8.	_____	_____	_____	_____	_____

12. What percent of your sales from this location are made within (name of growth center county) county?

_____ %

13. What percent of your raw materials and supplies for this location are purchased from suppliers located in the following areas? How much cash does this represent on a monthly basis?

growth center county
(name counties) _____ % \$ _____ per month

redevelopment areas
(name counties) _____ % \$ _____ per month

other district
counties
(name counties) _____ % \$ _____ per month

14. Did any supplier(s) or support industry(ies) move to this area as a result of your location or expansion?

_____ Yes _____ No

If so, please indicate name, address, and phone number.

a. _____ Phone _____

b. _____ Phone _____

c. _____ Phone _____

d. _____ Phone _____

In evaluating employment patterns in the EDA program, it is important to account for all of the district effects of the EDA loan. Often, the receipt of an EDA loan enables establishments to borrow from other lenders. In some cases, this increases the firm's employment needs.

We wish to obtain a clear picture of these effects so that we can examine the employment patterns as accurately as possible.

15. Was the EDA loan instrumental in securing other loans for this establishment?

_____ Yes _____ No

OPTIONAL

If so, what was the nature of each of these loans in terms of source, amount, terms, and use of funds? (These data will be kept confidential.)

	<u>Loan Source</u>	<u>Amount As Percent of Total</u>	<u>Amount</u>	<u>Terms</u>	<u>Use of Funds</u>
1.	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____

16. Do you provide training for any of your employees?

_____ Yes _____ No

If yes, please indicate the nature and length of this training and the number of employees trained.

EDA GROWTH CENTER EVALUATION
EMPLOYEE QUESTIONNAIRE

DO NOT FILL OUT

Growth Center _____ Employing Firm _____

Date Distributed _____ Date Received _____

The Economic Development Administration (U.S. Department of Commerce) is collecting information on employment and income patterns in this area. Your answers to the following questions will be very helpful in their study. Because you are not asked to give your name, your answers cannot be traced to you. Please answer each question as accurately as possible.
Thank you.

1. What company do you work for? _____

2. How long have you had your current job? _____

3. Immediately before taking your present job, were you:

_____ employed full-time _____ unemployed, looking for a job

_____ employed part-time _____ unemployed, not looking for a job

a. farm worker _____

b. housewife _____

c. student _____

d. other _____

a. If formerly employed full-time, why did you take your present job? _____

4. Do you generally work full-time (35 hours per week or more) or part-time (less than 35 hours per week)?

_____ full-time _____ part-time

5. What is your present occupation, that is, what do you do on this job?

Type of work done _____

Your title _____

- a. Have you received any training with this job? ____ Yes ____ No

If so, please describe the type and length:

_____ on-the-job _____ length of training _____

_____ skill or vocational _____ length _____
course

_____ union apprenticeship _____ length _____

_____ other (please describe) _____

- b. Has your training resulted in a higher salary or a more responsible position for you in this firm? ____ Yes ____ No

- c. What was your occupation prior to taking this job?

Type of work done _____

Your title _____

6. How long does it take you to get to work each day? _____

7. What is your average take home pay from this job? \$ _____

8. What was your weekly take home pay immediately before taking this job? \$ _____

9. At the present time, what is the *total* income of your household from *all* sources in a normal week, before taxes? \$ _____

10. Before you took this job, what was the *total* weekly take home pay of your household from *all* sources in a normal week? \$ _____

11. How many individuals live in your household (Do not include yourself) _____

12. How many of them are children under 18 years of age? _____
13. Do you earn more money than the other members of your household?

_____ Yes _____ No

14. Please list the City or Town, County and State in which you live.

(City or Town)

(County)

(State)

15. Were you living in this county before you started your present job?

_____ Yes _____ No

If not, please write below the county and state in which you lived before starting your present job.

(County)

(State)

16. If your present job had not been available, what would you have done?

_____ continued to look for work locally

_____ moved to _____
(fill in town or county, and state)

_____ remained at previous job

_____ other (please describe) _____

17. Please estimate what percent of your monthly salary is spent outside the county where you now live.

_____ %

18. Please check whether you are male or female.

Male _____ Female _____

19. What was the last grade or class you *completed* in your schooling?

20. What was your age at your last birthday? _____

21. Are you -

Spanish Surname (such as Mexican American or Puerto Rican) _____

White _____ Negro _____ American Indian _____ Oriental _____

APPENDIX G

ABSOLUTE MIGRATION BY REGION, DISTRICT, EDC COUNTIES, RC COUNTIES, AND NON-EDC, NON-RC COUNTIES FOR 1960-1970

The following chart presents absolute migration data for all EDC, RC, non-EDC/non-RC counties by region and district. The data sources are Current Population Reports, Population Estimates and Projections, Series P-25, No. 461 (June 28, 1971), U. S. Department of Commerce, Bureau of the Census.

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
NEW ENGLAND	-29,623	-34,889	42,594	-21,918
Pride	-17,299	None	- 6,714	-24,013
Southeastern	14,522	None	52,975	67,497
New Hampshire- Vermont	- 3,226	- 5,892	6,112	- 3,006
Black River- St. Lawrence	None	-17,003	- 6,992	-23,995
Eastern Adirondack	None	-11,994	- 3,300	-15,294
Mohawk Valley	-23,620	None	513	-23,107
DELMARVA	4,487	None	-10,878	-6,391
APPALACHIA	-62,952	-105,901	-404,474	-573,327
Georgia Mountains	1,492	None	2,284	3,776
Big Sandy	None	-31,759	-5,497	-37,256
Fivco	-5,302	None	-6,776	-12,078
Kentucky River	None	-14,953	-25,975	-40,928
Lake Cumber- land	2,838	None	-15,695	-12,857
Buckeye Hills- Hocking Valley	-532	None	-9,333	-9,865

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
Ohio Valley	-19,909	None	-15,964	-35,873
Turnpike	-30,826	-9,555	-9,890	-50,271
East Tennes- see	-10,582	None	-14,280	-24,862
First Tennes- see-Valley	-797	None	-4,499	-5,296
Upper Cumber- land	3,892	None	-9,257	-5,365
Cumberland Plateau	None	-13,028	-17,216	-30,244
Lenowisco	-3,583	None	-18,299	-21,882
Southern West Vir- ginia	None	-33,897	-76,135	-110,032
Upper Poto- mac	357	-2,709	-3,115	-5,467
Northeastern	None	None	-27,619	-27,619
Northern Tier	None	None	-3,504	-3,504
Cumberland Valley	None	None	-46,115	-46,115
Gateway	None	None	-730	-730
South Central	None	None	-10,173	-10,173
Southeast	None	None	-12,534	-12,534
District 2	None	None	-20,990	-20,990
District 4	None	None	-9,221	-9,221
District 5	None	None	-22,951	-22,951
North Central	None	None	-20,990	-20,990

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
OZARKS	50,753	-5,865	-16,774	28,114
Central	11,956	-4,042	-2,433	5,481
North Cen- tral	-4,555	5,218	546	1,209
Northwest	21,232	None	11,342	32,574
Southwest	-10,707	-1,293	-9,689	-21,689
West Cen- tral	12,850	-1,386	-1,146	10,318
Western	6,580	None	947	7,527
Lakes Coun- try	15,952	None	10,326	26,278
Ozark Foot- hills	-2,423	None	1,048	-1,375
South Cen- tral Ozark	684	None	-3,444	-2,760
Central	4,050	None	-6,652	-2,602
Eastern	None	-5,688	9,007	3,319
Kiamichi	None	1,326	1,380	2,706
N.E.C.O.	4,509	None	1,672	6,181
S.O.D.A.	-4,076	None	-5,308	-9,384
South Cen- tral	-5,299	None	-10,947	-16,246
Mid-America	None	None	-13,423	-13,423
TENNESSEE- GREEN VALLEY	-11,023	-41,263	-132,429	-184,715
East Arkansas	-601	-9,881	-71,135	-81,617
Greater Egypt	8,348	None	-253	8,095

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
Southeastern Illinois	None	117	-2,682	-2,565
Barren River	5,178	None	-3,128	2,050
Lincoln Trail	-5,355	None	-11,141	-16,496
Pennyryle	-9,457	None	-4,447	-13,904
North Delta	None	-19,615	-22,221	-41,836
Bootheel	-9,136	-11,884	-30,173	-51,193
Green River	None	None	-1,839	-1,839
Purchase	None	None	3,323	3,323
Mid-Cumberland	None	None	31,527	31,527
Tennessee Valley	None	None	-6,596	-6,596
Southwest	None	None	-13,664	-13,664
GREAT LAKES	-28,343	-21,267	554	-49,056
Central Upper Peninsula	337	-2,575	-3,733	-6,171
East Central	-317	None	9,041	8,724
Eastern Upper Peninsula	None	-10,444	None	-10,444
Northeast	None	-1,830	3,964	2,134
Northwest	None	2,293	5,848	8,141
Western Upper Peninsula	-768	-8,711	34	-9,445
Arrowhead	-27,595	None	-13,668	-41,263
Grand Rapids- Muskegon	None	None	3,003	3,003

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
Region 2	None	None	-3,137	-3,137
Region 5	None	None	-9,423	-9,423
Northwestern	None	None	8,825	8,825
COASTAL PLAINS	-76,606	-23,920	-332,796	-433,322
Central	-21,299	-8,999	-12,037	-42,335
Southeast	13,455	None	-10,969	2,486
Northwest Florida	-8,265	None	-2,156	-10,421
Central Savannah River	8,636	None	-19,408	-10,772
Chattahoochee- Flint	-2,838	None	-8,906	-11,744
Coastal Area	416	None	-2,400	-1,984
Coastal Plain	-3,341	None	-10,539	-13,880
Heart of Georgia	-3,827	None	-11,019	-14,846
Lower Chatta- hoochee Val- ley	-26,045	None	1,946	-24,099
Middle Flint	-1,291	None	-11,172	-12,463
Northeast Georgia	12,594	None	-1,774	10,820
Oconee	-3,374	None	-9,902	-13,276
Slash Pine	-4,970	None	-10,282	-15,252
Southwest	-8,853	None	-29,740	-38,593
Mid-East	-9,190	-5,875	-9,673	-24,738
Neuse River	-26,586	None	-21,629	-48,215

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
Southeastern	23,792	None	-44,828	-21,036
Lower Savannah	-1,496	-9,046	-11,629	-22,171
Pee Dee	-13,969	None	-24,266	-38,235
Upper Savannah	-155	None	-12,654	-12,809
North Central	None	None	-1,470	-1,470
Albemarle	None	None	-8,192	-8,192
Santee Wateree	None	None	-29,895	-29,895
Waccamaw	None	None	-30,202	-30,202
SOUTH CENTRAL	-36,672	-77,574	-204,620	-318,866
Southeast	-11,333	None	-18,140	-29,473
Capital	12,167	None	3,480	15,647
Evangeline	1,194	-15,802	-16,307	-30,915
Kisatchie-Delta	None	-7,860	20,343	12,483
North Delta	-3,606	None	-34,377	-37,983
Northwest	-27,578	-4,175	-15,108	-46,861
Central	-1,975	None	-24,264	-26,239
East Central	-10,456	None	-18,275	-28,731
North Central	-1,173	73,004	-17,050	-31,227
South Delta	None	-36,822	-29,153	-65,975
Southern	17,448	None	-24,346	-6,898
Southwest	-12,711	None	-18,013	-30,724
Brazos Valley	4,662	None	-6,953	-2,291
Central	-10,046	None	-3,911	-13,957

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
Deep East	10,034	None	-2,693	7,341
North East	-3,299	89	-4,477	-7,687
Golden Triangle	None	None	-18,938	-18,938
Northeast	None	None	-10,867	-10,867
North Central	None	None	34,429	34,429
NORTHWEST	-5,057	-13,326	-13,733	-32,116
Clearwater	484	None	-1,196	-712
Bear Paw	-3,746	None	-4,789	-8,535
Big Horn	-1,795	None	164	-1,631
Inter-County	None	-11,853	683	-11,170
Trico	None	-1,473	-2,035	-3,508
Northern Idaho	None	None	-992	-992
Southwestern	None	None	-2,767	-2,767
Upper Columbia	None	None	-2,801	-2,801
FAR WEST	None	30,971	251,062	282,033
Sierra	None	30,971	15	30,986
North Coast	None	None	-19,275	-19,275
Superior	None	None	5,809	5,809
District Eight	None	None	18,653	18,653
Central Puget Sound	None	None	229,340	229,340
South Puget Sound	None	None	22,187	22,187
Mid-Columbia	None	None	-5,667	-5,667

APPENDIX G (CONT.)

REGIONS AND DISTRICTS	EDC COUNTIES	RC COUNTIES	NON-EDC AND NON-RC COUNTIES	TOTAL REGIONS AND DISTRICTS
SOUTHWEST	-22,588	-15,146	-35,844	-73,578
Southern	-19,763	None	-16,020	-35,783
North Central	-1,202	-5,612	-12,993	-19,807
Six-County	-1,623	-1,206	-2,084	-4,913
Southeastern	None	-8,328	-3,613	-11,941
Southwest	None	None	-1,134	-1,134
RIO GRANDE	-80,984	-66,534	-75,392	-222,910
Coastal Bend	-34,952	None	-46,801	-81,753
Lower Rio Grande Valley	-46,032	-48,529	8,701	-103,262
Middle Rio Grande Valley	None	-6,497	-13,591	-20,088
South	None	-11,508	-6,299	-17,807
NATIONAL TOTALS	-932,790	-298,608	-374,714	-1,606,112

PENN STATE UNIVERSITY LIBRARIES



A000071289021